

# **PORTFOLIO COMMITTEE NO. 6 – TRANSPORT AND CUSTOMER SERVICE**

**Friday 30 August 2019**

**Examination of proposed expenditure for the portfolio area**

## **TRANSPORT AND ROADS**

<b>UNCORRECTED</b>
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**The Committee met at 9:30**

### **MEMBERS**

Ms Abigail Boyd (Chair)  
The Hon. Mark Banasiak  
The Hon. Catherine Cusack  
Ms Cate Faehrmann  
The Hon. Wes Fang  
The Hon. John Graham  
The Hon. Shayne Mallard  
The Daniel Mookhey  
The Hon. Peter Primrose

### **PRESENT**

The Hon. Andrew Constance, *Minister for Transport and Roads*

## **CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS**

**Corrections should be marked on a photocopy of the proof and forwarded to:**

**Budget Estimates secretariat  
Room 812  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000**



**The CHAIR:** Welcome to the public hearing for the Inquiry into Budget Estimates 2019-2020. Before I commence I acknowledge the Gadigal people, who are traditional custodians of this land. I also pay respects to the Elders past and present of the Eora nation and extend that respect to other Aboriginals present. I welcome the Minister for Roads and Transport and accompanying Transport officials. Today the Committee will examine the proposed expenditure for the portfolio of Transport and Roads. These hearings are webcast, so we are all live on the Parliament's website. They are also open to the public. In accordance with the broadcasting guidelines, while members of the media may film or record Committee members and witnesses, people in the gallery should not be the primary focus of filming or photography.

I remind media representatives that you must take responsibility for what you publish about this Committee's proceedings. The guidelines for the broadcast of proceedings are available from the secretariat. All witnesses in budget estimates have the right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In those circumstances witnesses are advised that they can take a question on notice and provide an answer within 21 days. Any messages from advisers or members' staff seated in the public gallery should be delivered through the Committee secretariat. Minister, I remind you and the officers accompanying you that you are free to pass notes and refer directly your advisers seated at the table behind you.

Transcripts of the hearing will be available on the web from tomorrow morning. Finally, could everyone please turn their mobile phones to silent for the duration of this hearing. Before we commence the hearing, I advise witnesses that Government members will not ask questions during the morning session. For that reason we have shortened the session by one-third so this session will conclude at 11.30 a.m. All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. Minister, I remind you that you do not need to be sworn as you have already sworn an oath of office as a member of Parliament. The same applies to Ms Eleni Petinos. For all other witnesses, I ask that you each in turn, firstly, state your name, position title and agency and, secondly, swear either an oath or an affirmation.

**ANTHONY WING**, Point to Point Transport Commissioner, sworn and examined

**ANAND THOMAS**, Program Director, Parramatta Light Rail, sworn and examined

**STEVE PASCALL**, Project Director, Sydney Light Rail, sworn and examined

**ELIZABETH MILDWATER**, Deputy Secretary, Greater Sydney, Transport for NSW, affirmed and examined

**RODD STAPLES**, Secretary, Transport for NSW, sworn and examined

**HOWARD PAUL COLLINS**, Chief Executive, Sydney Trains, sworn and examined

**SIMON DRAPER**, Chief Executive Officer, Infrastructure NSW, affirmed and examined

**FIONA TRUSSELL**, Acting Chief Executive, Roads and Maritime Services, sworn and examined

**JOHN HARDWICK**, Executive Director, Sydney Division, Transport for NSW, sworn and examined

**JON LAMONTE**, Chief Executive, Sydney Metro, sworn and examined

**STEFFEN FAURBY**, Chief Executive, State Transit Authority, sworn and examined

**GRANT GILFILLAN**, Chief Executive Officer and Director, Port Authority of NSW, sworn and examined

**The CHAIR:** I declare the proposed expenditure for the portfolio of Transport and Roads open for examination. The questioning of this portfolio will now begin. All witnesses, including the Minister and Ms Eleni Petinos, will be questioned in the morning session. After a lunch break we will continue questioning of Government witnesses. The Minister and Ms Eleni Petinos will not be questioned in the afternoon or evening sessions. As there is no provision for any witness to make an opening statement before the Committee commences questioning, we will begin with questions from the Opposition.

**The Hon. DANIEL MOOKHEY:** Hello, Minister.

**Mr ANDREW CONSTANCE:** G'day. How are you?

**The Hon. DANIEL MOOKHEY:** Very well. Good to see you again.

**Mr ANDREW CONSTANCE:** That is the way, Mr Mookhey. I am glad to see you

**The Hon. DANIEL MOOKHEY:** It is pronounced Mookhey. We will get it right this time.

**Mr ANDREW CONSTANCE:** Hang on, it is spelt M-O-O so—

**The Hon. DANIEL MOOKHEY:** I believe, Minister, I probably have an understanding of how to pronounce my name.

**Mr ANDREW CONSTANCE:** Okay, just be relaxed.

**The Hon. DANIEL MOOKHEY:** But we are off to a good start. Take it on notice.

**Mr ANDREW CONSTANCE:** Thank you for getting leave from ICAC. It is good you are here too.

**The Hon. DANIEL MOOKHEY:** We were playing bingo as to how soon it would be before you raised that. You are winning so far.

**Mr ANDREW CONSTANCE:** Fire away. You are wasting your time.

**The Hon. DANIEL MOOKHEY:** Thank you for the appearance of yourself and all your officials, and hello to Ms Eleni Petinos. In June you announced that taxpayers will be paying Acciona another \$576 million to settle its lawsuit, which alleged that your Government engaged in misleading and deceptive conduct, amongst other things. The light rail was meant to cost \$1.5 billion and we learnt within six months of the contract being signed that it would cost \$2.1 billion. We now have the price tag up to \$2.7 billion. Just a very simple question to start off with: What is the light rail going to cost? What is the forecast final cost for the CBD light rail?

**Mr ANDREW CONSTANCE:** When I announced the reset of the public-private partnership [PPP] I made it clear that we would have the final cost when the passengers were on board and that should be December.

**The Hon. DANIEL MOOKHEY:** Yesterday the Treasurer said that he anticipates the cost is going to be circa \$3 billion. Is that also your expectation?

**Mr ANDREW CONSTANCE:** My expectation is to be able to finalise the cost when we have the first passenger on board.

**The Hon. DANIEL MOOKHEY:** And that, you say, is likely to be in December?

**Mr ANDREW CONSTANCE:** When we announce the \$576 million PPP reset, which had a number of important outcomes as a result of that commercial negotiation, I indicated there would be additional costs above that and that we would know the final cost when we saw passengers on board in December.

**The Hon. DANIEL MOOKHEY:** Transport for NSW entered into that settlement on 31 May this year, is that correct?

**Mr ANDREW CONSTANCE:** I think so. I can check that.

**The Hon. DANIEL MOOKHEY:** Mr Staples?

**Mr STAPLES:** I would have to check the exact date, but that sounds about right.

**The Hon. DANIEL MOOKHEY:** And did the \$576 million settlement, or as you call it the PPP reset, resolve all of Acciona's outstanding claims?

**Mr ANDREW CONSTANCE:** There was \$1.5 million of claims and modifications that were resolved as part of that reset—

**The Hon. DANIEL MOOKHEY:** Sorry, can you just repeat that?

**Mr ANDREW CONSTANCE:** —along with \$1.1 billion of—

**The Hon. DANIEL MOOKHEY:** Minister, can you just repeat that? I did not hear it.

**The Hon. CATHERINE CUSACK:** Point of order: I am interested in these answers. If the member asks a question and then talks over the Minister I cannot hear what the Minister is saying.

**The Hon. DANIEL MOOKHEY:** I legitimately just did not hear the Minister's response.

**The CHAIR:** I think he was just asking for the microphone to perhaps be brought closer. Are you having trouble hearing?

**The Hon. DANIEL MOOKHEY:** I cannot actually hear. Minister, can you bring the microphone forward.

**Mr ANDREW CONSTANCE:** It is okay. I would hate for you not to hear this answer. It is important.

**The Hon. DANIEL MOOKHEY:** Thank you.

**Mr ANDREW CONSTANCE:** When we announced the reset of the PPP there was a number of outcomes in terms of that commercial negotiations. One of the key elements was there was about \$1.5 billion of claims and modifications that were in dispute. They were resolved, along with a court case that Acciona subsequently withdrew. That was a claim of around \$1.1 billion. We were able to incentivise another contractor through that reset to be able to meet the delivery program in 2019 for the first stage, and the second stage by March to Kingsford and Kensington. For us, it was an important reset. They lost skin and, of course, we lost skin. Ultimately we have ended up, as the Premier and I experienced the other day, with a fantastic project in the heart of our city.

**The Hon. DANIEL MOOKHEY:** Good to hear. When you say that it resolved the \$1.5 billion of outstanding claims made by the consortium, presumably that would that would cover the design and construction claims, the utility work claims and operational maintenance claims. Is that correct?

**Mr ANDREW CONSTANCE:** I am happy to take on notice the exact claims that were resolved but, as with any commercial negotiation, you reach a critical point in terms of a PPP. I am not sure, based on your previous questioning yesterday to the Treasurer and last year, that you quite understand the mechanics of a PPP.

**The Hon. DANIEL MOOKHEY:** Yes. I am sure you will give me an education again.

**Mr ANDREW CONSTANCE:** Ultimately it is an important reset of the PPP come that time. As I have indicated, we now have a light rail being tested down the heart of George Street. You should have seen all those people taking selfies the other day. I just hope you never ride it because you have been such a critic.

**The Hon. DANIEL MOOKHEY:** You have barred me before.

**Mr ANDREW CONSTANCE:** If I catch you on it, you are banned—you are banned from all public transport actually.

**The Hon. DANIEL MOOKHEY:** That is a bit harsh. Since you entered the settlement circa 31 May this year, has Transport for NSW received any new claims from the consortium?

**Mr ANDREW CONSTANCE:** I can check and take that on notice but—

**The Hon. DANIEL MOOKHEY:** We have the director of the CBD light rail and the secretary of the transport department here—I do not know whether they might be able to help you—but given, as you just said, we had a very important reset on 31 May that resolved all claims and incentivised, it is a pretty straightforward question: Have we received any new claims?

**Mr STAPLES:** I will pass to Mr Pascall in a moment. The thing I would say in advance of that, the significant claims that were on the table are now resolved.

**Mr ANDREW CONSTANCE:** I think that was \$1.5 billion?

**Mr STAPLES:** Yes.

**The Hon. DANIEL MOOKHEY:** Who is answering?

**Mr STAPLES:** I will pass to Mr Pascall. Every major contract has contractual interactions going on around—

**The Hon. JOHN GRAHAM:** It is a very simple question.

**The Hon. DANIEL MOOKHEY:** We understand that. That was not my question.

**Mr ANDREW CONSTANCE:** Just relax, guys.

**Mr STAPLES:** I think it is important you understand that the significant amount of money that was at large around those claims has now been resolved and we are into much more of a typical delivery of a major infrastructure project and working day in day out with the contractor to manage that and get to completion. You see on the ground the amount of progress that is being made.

**The Hon. DANIEL MOOKHEY:** In the process of you managing that, I have a straightforward question: Has Transport for NSW received notifications of new claims from the consortium?

**Mr STAPLES:** We always receive notifications of potential claims from contractors.

**The Hon. DANIEL MOOKHEY:** On 21 July this year did Transport for NSW receive notification of a new claim?

**Mr ANDREW CONSTANCE:** Just to enlighten you—

**The Hon. DANIEL MOOKHEY:** It is a straightforward question.

**Mr ANDREW CONSTANCE:** Claims get called by contractors all the time, that does not necessarily result in a claim being agreed to or settled or anything like that.

**The Hon. DANIEL MOOKHEY:** Sure, but I am not asking that, Minister.

**Mr ANDREW CONSTANCE:** If you have some information you want to enlighten us with, please feel free to do it.

**The Hon. DANIEL MOOKHEY:** I might do that, Minister. Did you receive a new claim on 21 July?

**Mr STAPLES:** I think the point is you used the word "notification". The point is that contractors often notify of the potential for a future claim.

**The Hon. DANIEL MOOKHEY:** I accept that.

**Mr STAPLES:** It is very important that we get the language right. We do not have a substantial claim on foot but we do have contractors saying: Something has happened here. We think there may be a claim but we are notifying you about that possibility and we will update you in due course. Now, there is nothing in any of those that are of significance to us. They are the sort of things you say day in and day out on any project we have going on.

**The Hon. DANIEL MOOKHEY:** I accept that.

**Mr STAPLES:** That is the way contract processes work.

**The Hon. DANIEL MOOKHEY:** I am asking as a matter of fact did you get the notification on 21 July?

**Mr STAPLES:** I can ask Mr Pascall whether he has that detail.

**Mr PASCALL:** What I can say is that the \$1.5 billion claims that were settled dealt with nearly 2,000 claims under this contract. The secretary said it is typical for to us receive contractual claims.

**The Hon. DANIEL MOOKHEY:** It is a straightforward question. It was not how many claims had been resolved and how many had been received. The question was: Did you receive one on 21 July? Given that we are going around the roundabout a couple of times I will ask you: Did you receive one on 21 July? Did you receive a second new claim from the consortium on 31 July and two days later, on 1 August, did the consortium make a third new claim, and on 2 August did Transport for NSW receive a fourth claim? I will just be clear about the dates. In the expanse of two and a half weeks, just a month after you signed a claim that says "resolved" or "outstanding", has Transport for NSW received at least four new design and construct [D and C] claims from the consortium?

**Mr PASCALL:** What I can say is that we have received claims from the consortia since resigning the PPP resettlement.

**The Hon. DANIEL MOOKHEY:** And have you undertaken a net financial impact analysis as to what the potential liability is for Transport for NSW for those four new claims?

**Mr ANDREW CONSTANCE:** Most claims would end up being questioned and worked through and resolved in a dispute—

**The Hon. DANIEL MOOKHEY:** That is why I am asking you specifically about the net financial impact.

**Mr ANDREW CONSTANCE:** Hang on a second—

**The Hon. CATHERINE CUSACK:** Sorry, Madam Chair, can you ask the member—

**The CHAIR:** Is this a point of order?

**The Hon. CATHERINE CUSACK:** It is a point of order. Can the member exercise some restraint? When he asks a question, hear the witnesses out before jumping in over the top of them.

**The CHAIR:** Mr Mookhey does have the right to ask the questions and continue to ask questions if that is what he chooses to do.

**The Hon. CATHERINE CUSACK:** I believe the witnesses have a right to give answers.

**The CHAIR:** I think the witnesses can defend themselves.

**The Hon. CATHERINE CUSACK:** They are continually interrupted.

**The CHAIR:** Carry on.

**The Hon. DANIEL MOOKHEY:** It is the case that Transport for NSW, since you entered into the settlement or the reset—whatever you wish you call it—has received at least four new D and C claims? I will be up front with you, four new utility works claims. Is that correct?

**Mr ANDREW CONSTANCE:** We are happy to take it on notice and come back to you. The point I would say—

**The Hon. DANIEL MOOKHEY:** You have taken it on notice so I get to move on.

**Mr ANDREW CONSTANCE:** Fine.

**The Hon. DANIEL MOOKHEY:** How much are the claims worth?

**The Hon. WES FANG:** Point of order: It leads into what the Hon. Catherine Cusack was saying. The Hon. Daniel Mookhey has the right to ask the question, but the Minister also has the right to answer the question.

**The Hon. DANIEL MOOKHEY:** He took it on notice.

**The Hon. WES FANG:** He took it on notice but he wanted to provide additional information.

**The Hon. DANIEL MOOKHEY:** We have limited time.

**The Hon. PETER PRIMROSE:** We have limited time.

**The Hon. WES FANG:** I understand, but you need to allow him to answer the question.

**Mr ANDREW CONSTANCE:** We are here until 8.30 tonight. We have plenty of time.

**The Hon. PETER PRIMROSE:** You are prepared to stay until 8.30 tonight?

**Mr ANDREW CONSTANCE:** Just relax. I am not invited to. Just relax, team, you are doing really well.

**The CHAIR:** Mr Mookhey, if you could you the Minister some time to answer the question.

**The Hon. CATHERINE CUSACK:** There is so much stress on that side of the room.

**The Hon. DANIEL MOOKHEY:** In respect to those four new claims, was RMS the cause of one of them?

**Mr ANDREW CONSTANCE:** I just said I would take it on notice and come back to you in relation to those claims.

**The Hon. DANIEL MOOKHEY:** The acting CEO of RMS is here, as are the representatives of Sydney light rail, so feel free to add. On 29 July did RMS enter the Sydney light rail site without authorisation?

**Mr ANDREW CONSTANCE:** Is that your question?

**The Hon. DANIEL MOOKHEY:** Yes.

**Mr ANDREW CONSTANCE:** We are happy to take that on notice.

**The Hon. JOHN GRAHAM:** Does the relevant official who is here have a view?

**The Hon. DANIEL MOOKHEY:** Relevant two officials. On 29 July did RMS, your agency, enter the Sydney CBD light rail site, your project?

**Mr ANDREW CONSTANCE:** Hard-hitting news.

**The Hon. DANIEL MOOKHEY:** It is your project. It is a straightforward question. Did you have authorisation?

**Ms TRUSSELL:** I am happy to take that on notice.

**The Hon. DANIEL MOOKHEY:** I am sure you are. Without authorisation did RMS begin excavations at the CBD light rail site?

**Mr ANDREW CONSTANCE:** I think if the official says we will take it on notice, I would not ask the next question.

**The Hon. DANIEL MOOKHEY:** Well, I will. That is the question.

**Mr ANDREW CONSTANCE:** We will take that on notice, too.

**The Hon. DANIEL MOOKHEY:** Good on you.

**Mr ANDREW CONSTANCE:** Thank you.

**The Hon. CATHERINE CUSACK:** Just take a pill or something.

**The Hon. DANIEL MOOKHEY:** Were those excavations authorised?

**Mr ANDREW CONSTANCE:** Mr Mookhey, in the delivery of your questions, just relax, mate. It is okay. You have all day.

**The Hon. DANIEL MOOKHEY:** I am relaxed. But perhaps I will relax more with some answers, Minister.

**Mr ANDREW CONSTANCE:** I am worried about you. Just tone it down. Lower the tone, and just relax. Take it slowly, mate. You have got all day.

**The Hon. DANIEL MOOKHEY:** Did RMS, your agency, enter the site without authorisation and begin excavations without permission?

**Mr ANDREW CONSTANCE:** Ditto to the last two questions. We will take it on notice, mate. We have got a lot of work on—\$93 billion of infrastructure—and here you are questioning me about RMS digging a hole somewhere.

**The Hon. DANIEL MOOKHEY:** Were those unauthorised excavations?

**Mr ANDREW CONSTANCE:** We dig a lot of holes and you are in one at the moment. Just relax. It is fine.

**The Hon. DANIEL MOOKHEY:** Were these unauthorised diggings undertaken by your agency on your project? That was part of the WestConnex stage 3B, wasn't it?

**Mr ANDREW CONSTANCE:** First of all, you are making all sorts of weird and wonderful claims here. I said I would take it on notice; go and investigate your claims because I am sure there is some different answer to what you think, to what is going on inside your head.

**The Hon. DANIEL MOOKHEY:** Has Transport for NSW said in any of its registers that RMS's unauthorised WestConnex excavations on the CBD light rail site—just to be clear, so you can relax—your agency, on your project, created significant damage? Has that been said?

**Mr ANDREW CONSTANCE:** I said I would take on notice this issue.

**The Hon. DANIEL MOOKHEY:** Minister, are you worried that you may well appear and your agencies may well appear incredibly incompetent when your own agency, following your Government's decision to amalgamate and to form the RMS and bring it into Transport for NSW—

**Mr ANDREW CONSTANCE:** Well you guys are blocking the bill in the upper House, so I am a bit unhappy about that.

**The Hon. DANIEL MOOKHEY:** I am sorry about that, Minister. Do you accept that you may well seem just a little incompetent when your own agency enters your own CBD light rail site, which we have already heard has received 2,000 claims—

**The Hon. SHAYNE MALLARD:** Point of order—

**The Hon. DANIEL MOOKHEY:** Are you worried that perhaps the incompetence is all the more replete given you have told us that the CBD light rail is much better?

**The CHAIR:** Mr Mookhey, stop talking while I hear the point of order.

**The Hon. SHAYNE MALLARD:** My point of order is that Mr Mookhey is obviously prosecuting a line. The Minister has said three or four times that we have no information on this at the moment and he will take it on notice. He has made it very clear but he keeps pursuing this angle. Move on to a new subject.

**The CHAIR:** It is up to Mr Mookhey how he uses his time up. Please continue.

**The Hon. CATHERINE CUSACK:** He is not allowed to give adjournment speeches in the middle of the estimates questions.

**The CHAIR:** I have ruled. It will be useful if members stop interjecting.

**The Hon. JOHN GRAHAM:** Minister, can I confirm the cost of WestConnex is still \$16.8 billion?

**Mr ANDREW CONSTANCE:** You can confirm that.

**The Hon. JOHN GRAHAM:** Can I confirm the sale price of WestConnex was \$9.3 billion?

**Mr ANDREW CONSTANCE:** That transaction was undertaken by the Treasurer of New South Wales. He was here yesterday.

**The Hon. JOHN GRAHAM:** You are not disputing that?

**Mr ANDREW CONSTANCE:** I am not disputing there was a transaction and I am not disputing the cost of WestConnex.

**The Hon. JOHN GRAHAM:** That was for a controlling share in WestConnex of 51 per cent?

**Mr ANDREW CONSTANCE:** As I indicated, your questions in relation to the transaction should be directed at the Treasurer. I am the Transport Minister.

**The Hon. JOHN GRAHAM:** How much will residents of western Sydney pay over the course of a toll concession?

**Mr ANDREW CONSTANCE:** Again, the key element out of this is we put in place tolling concessions so we can build the infrastructure years in advance. We provide a free road alternative, unlike the last government which decided to tunnel funnel the Cross City Tunnel and Lane Cove Tunnel. We very much ensure that we provide toll relief—

**The Hon. JOHN GRAHAM:** I will repeat the question: How much will residents of western Sydney pay?

**Mr ANDREW CONSTANCE:** —through the benefits for motor vehicle registration and that is what we do. Unlike you lot, who run around hysterical about these things. We have opened the M4 East. It was fantastic—

**The Hon. JOHN GRAHAM:** Minister, with respect, I am going to stop you there.

**Mr ANDREW CONSTANCE:** Okay, thank you. Actually, I am going to keep answering the question because this line of questioning is silly—

**The Hon. JOHN GRAHAM:** How much will residents of western Sydney pay over the course of a toll concession?

**Mr ANDREW CONSTANCE:** I just indicated to you that there is a tolling concession put in place to facilitate the building of the infrastructure today so that generations can enjoy the infrastructure today, instead of waiting generations to get the infrastructure in advance—

**The Hon. JOHN GRAHAM:** Thank you for that context, Minister. I simply want to know how much western Sydney residents are going to pay over the course of that concession?

**Mr ANDREW CONSTANCE:** They have motor vehicle registration relief. They have the option of the free road alternative and if you go to the website, you will see all the varying degrees of tolling—

**The Hon. JOHN GRAHAM:** Can I give you one answer, which has been put to this question, to see if you agree with it? One of your former colleagues, Charles Casuscelli—

**Mr ANDREW CONSTANCE:** You do not get to tell me whether I answer a question with one word or not. That is just rude.

**The Hon. JOHN GRAHAM:** I put this to you: Do you agree with this assessment, one-quarter of a trillion dollars? That is the view of your former colleague.

**Mr ANDREW CONSTANCE:** I just made it clear that we have in place a series of toll-relief measures for motorists and things like the M5 cashback. We also have motor vehicle relief—

**The Hon. JOHN GRAHAM:** I accept all that, Minister. There is some relief. How much are they paying? How much is coming out of the pockets of western Sydney residents?

**Mr ANDREW CONSTANCE:** The toll rates are on the website.

**The Hon. JOHN GRAHAM:** Your former colleague says one-quarter of a trillion dollars. Is that correct?

**Mr ANDREW CONSTANCE:** To assist the good councillor over there, I make this observation: People can choose to use the free road alternative or use a tollway.

**The Hon. JOHN GRAHAM:** Sure.

**Mr ANDREW CONSTANCE:** Ultimately we provide great public transport: We are building a new metro to western Sydney, we are building light rail to western Sydney, we are building new roads. The other element to this is that with toll roads people have the option to use the toll road or not—

**The Hon. JOHN GRAHAM:** I accept all that background, Minister. It is a simple question.

**Mr ANDREW CONSTANCE:** That is good. I am glad you accept it. So there is one answer to you.

**The Hon. JOHN GRAHAM:** Is that wrong? One-quarter of a trillion dollars—excepting all that context—coming out of the pockets of western Sydney residents?

**Mr ANDREW CONSTANCE:** The premise of your question is wrong because it is up to motorists to determine whether they use a toll road or the free road alternative and, again, tolling concessions are there to finance the infrastructure build. That is why they are brought into the mix. Then, as part of that, you can have debt financing, you can have equity injection, you can have public equity injection—

**The Hon. JOHN GRAHAM:** I accept all that background, Minister.

**Mr ANDREW CONSTANCE:** No, that is important background because what you are suggesting—

**The Hon. JOHN GRAHAM:** I am moving on to another question, Minister.

**Mr ANDREW CONSTANCE:** No, I just want to pick you up there.

**The Hon. JOHN GRAHAM:** Fire away.

**Mr ANDREW CONSTANCE:** As the new roads Minister, you need to understand we provide a free road alternative, we provide motor vehicle relief—registration relief to motorists if they choose to use the toll road—we provide great public transport.

**The Hon. JOHN GRAHAM:** You have sold half of this road for \$9.3 billion, but residents are paying more than a quarter of a trillion dollars in tolls. Where is the money going? How is that a good deal?

**Mr ANDREW CONSTANCE:** Again, voodoo economics out of the Labor Party is something that I am very used to.

**The Hon. JOHN GRAHAM:** This is your former colleague who is putting this view.

**Mr ANDREW CONSTANCE:** What I would say to you is this: We need to finance the infrastructure today so that it can be delivered now, so that with Sydney's growth we can provide the free road alternative and the tollway, which people can opt to use or not. Again, the risk sits with the operator—that is what a good arrangement should be for taxpayers. It enables us to invest money elsewhere across the road network—the Princess Highway comes to mind, where we are losing so many lives. At the same time, people get the benefit of very big infrastructure. I made that point—\$16.8 billion on a motorway—the money needs to come from somewhere.

**The Hon. JOHN GRAHAM:** One of the reasons that toll amount is so high is that those tolls are going up 4 per cent each year. Wages growth is 2.3 per cent per annum, inflation is just 1.6 per cent per annum. Do you now accept it is a mistake to have those tolls going up by 4 per cent each year?

**Mr ANDREW CONSTANCE:** If you are suggesting that it is a mistake to build the M4 East, that is not the feedback that I am getting on the ground. Let me tell you, it is incredibly positive. People are looking forward to the M5 East next year.

**The Hon. JOHN GRAHAM:** This is triple inflation. I am asking: Do you think the 4 per cent escalator is too high?

**Mr ANDREW CONSTANCE:** Again, I would ask of the operator to make sure that it does everything to keep it affordable for motorists. That is why the Government has introduced things like the discounts on motor vehicle registration. That is why we are there: we provide people with the options—

**The Hon. JOHN GRAHAM:** When you do new deals, will you rule out—now that we have seen the effect—

**Mr ANDREW CONSTANCE:** This is a silly question.

**The Hon. JOHN GRAHAM:** Will you rule out having the 4 per cent escalator in future deals?

**Mr ANDREW CONSTANCE:** First of all, you have just pointed to the 4 per cent. I am pretty confident—I do not have to take it on notice—it does not necessarily have to be 4 per cent.

**The Hon. JOHN GRAHAM:** Yes it does.

**Mr ANDREW CONSTANCE:** The point that I would make is, for motorists—

**The Hon. JOHN GRAHAM:** It has to at least be 4 per cent, it could be higher. You are right, it could be higher.

**Mr ANDREW CONSTANCE:** Motorists have the option to continue to use the free road network or make the option—

**The Hon. JOHN GRAHAM:** I am asking, will you rule out—

**Mr ANDREW CONSTANCE:** —to pay a toll and enjoy the 20-minute benefit on the M4 East.

**The Hon. JOHN GRAHAM:** —using 4 per cent in future deals? You have been called on by members of the public to rule it out in future. Will you rule it out in future?

**Mr ANDREW CONSTANCE:** Which members of the public?

**The Hon. JOHN GRAHAM:** This has been the subject of a parliamentary inquiry—a recommendation of this Parliament's committees.

**Mr ANDREW CONSTANCE:** The upper House committee?

**The Hon. JOHN GRAHAM:** Correct.

**Mr ANDREW CONSTANCE:** Some of those upper House committees, I have been looking at those recommendations and they have not landed where the Labor Party would have liked them to. We are building this infrastructure so people can use it, but they have the option of the free road alternative.

**The Hon. JOHN GRAHAM:** Are you refusing to rule it out?

**Mr ANDREW CONSTANCE:** It is a hypothetical question and I am not here to deal in hypotheticals. We worked through a process of structuring the finance of this big infrastructure for a reason, and that is so we can build it today and we provide free road alternatives.

**The Hon. MARK BANASIAK:** I refer to your comments about the 2,000 claims on Sydney Light Rail. As the new kids on the block, Mr Staples and Mr Pascall, you can jump in and answer it, as well, if you like. Are 2,000 claims abnormally higher than similar projects that you have been engaged with in the past?

**Mr ANDREW CONSTANCE:** I will hand over to Mr Pascall, given his experience, and, for that matter, Mr Staples, who both worked as very significant project managers. The observation I will make is that if you have about \$1½ billion dollars' worth of unsettled claims, one of the advantages of having the public-private partnership [PPP] reset—and I have to spell out: Acciona lost a lot of money through this process too. We wanted to land it in a way where we minimised years of disputes around the claims. Time is of the essence—time itself costs—and that is why with ongoing claims with most projects, we do see a lot of claims come forward. They can vary to be very small. I suspect that when we go and have a look at the questions asked by Mr Mookhey, we will find that they are very small claims, but we will go and have a look at those. Ultimately, claims are made all the time against contracts, that is just reality.

**Mr PASCALL:** I think mirroring what the Minister said is that it is part of a normal contract framework—that claims are made on behalf of the contractor to the principal. In fact, to be fair, we welcome it because we are understanding what risks the contractor is delivering. A lot of the time we are able to mitigate the system and assist them in the resolution of those. In regards to the quantum, I think if it is one claim of 2,000 or 5,000. I think it shows that the operation of the contract has been discharged correctly, which is to advise the principal of the risks and the contractor you are trying to deal with on a day-to-day basis. As I said earlier, I think it is more for the principal then to assist the contractor to resolve those.

**The Hon. MARK BANASIAK:** Could you not also argue that if the claims are abnormally high then you have a problem with that project and how it is being managed and rolled out?

**Mr ANDREW CONSTANCE:** Can I respond to the good member? There is no doubt that if you take one of the busiest streets in the country and you have to completely redesign utilities underground versus a series of other third-party arrangements and agreements that need to be finalised as part of this—it was always going to be a complex project. There is no doubt that the delivery method, in terms of the public-private partnership is important because that enables the PPP consortium to also work through those claim disputes. It is an incredibly complex build and it was naturally going to, from the contractor's perspective, bring claims forward. It also had to work within the Planning Department's framework in terms of requirements, as well. One of the key things from Transport's perspective, is to be able to get in and resolve claims quickly. For this project, there had been a long, protracted negotiation around a lot of claims. At the end of the day, this is why we reset the PPP. It was an important arrangement to clear that backlog and to get the contractor focused on the job, which is getting the project delivered.

**The Hon. MARK BANASIAK:** Minister, are you aware that four-wheel drives towing single axle boat trailers on toll roads are being slugged the same toll fare as those driving B-doubles, which are a Class 4 vehicle?

And are you aware that this can turn a simple fishing trip to somewhere like Tunks Park Boat Ramp into a \$50 trip just in tolls alone?

**Mr ANDREW CONSTANCE:** Yes, I am aware of the challenges besetting some vehicle owners in terms of the decisions that have been made by the operator. I am not happy about that, to be honest, and I will continue to put pressure on the toll operator to do the right thing. As you point out a vehicle towing a boat is not a B-double.

**The Hon. MARK BANASIAK:** Would you go as far as to say that it is probably more fair and equitable to raise the available height, to be increased to 2.4, to cover four-wheel-drive vehicles that have a legal two inch lift and roof racks, which a lot of them do?

**Mr ANDREW CONSTANCE:** I am happy to take that away, to go and have a look at it. Again, I make the point, the operator should do the right thing too.

**The Hon. MARK BANASIAK:** My next question goes to the traffic emergency patrol vehicles. These are the ones that are seen on toll roads with red-blue lights and sirens. Are they considered emergency vehicles?

**Mr ANDREW CONSTANCE:** I will hand that question to Mr Hardwick to answer.

**Mr HARDWICK:** The vehicles with the red and blue lights are emergency vehicles for recovery in situations on our roads and that is what they are used for—emergency response.

**The Hon. MARK BANASIAK:** Does that make them exempt from tolls, like other emergency vehicles?

**Mr HARDWICK:** The emergency vehicles that are on the toll roads are obviously exempt from tolls because they actually are positioned on the tollways ready to respond to incidents and accidents. They actually live on the tollways.

**The Hon. MARK BANASIAK:** Moving on to taxis, Minister, currently the taxi industry charges a \$1.10 levy to compensate the taxi industry for the devaluing of plates in New South Wales. Do you see this as fair and equitable for the taxi industry to essentially pay for its own compensation, considering the \$1.10 levy is not equally charged and passed on by rideshare services? Representations that have been made to me by the taxi industry to highlight that this levy actually further reduces patronage.

**Mr ANDREW CONSTANCE:** Great question. First of all the rideshare services are collecting the levy so that the plate owners can receive support in light of the regulatory reform known as the point to point transport reform. We, in essence, had a situation with the market being disrupted through the entry of Uber. There was a real need to try to put the taxi industry in a position to have its booking market deregulated and protect the rank and hail market. As part of that, licence plate owners as a result of that regulatory reform, which in many ways over many generations has had an instilled property right attached, we needed to find a way to provide relief to those plate owners, given, firstly, the loss in the lease revenue of the plate and then ultimately we wanted to provide support for those who suffered hardship.

We put in place the levy, a user pays, because we did not want to draw down on the consolidated fund of government, which should otherwise go to providing hospital services, education, police and the like, so there was a degree of user pays. The point out of that is that the levy is being collected from those who are using point to point transport and then being provided to those plate owners—those taxi plate owners—who obviously have been affected by the reform.

**The Hon. MARK BANASIAK:** How much money has actually been collected under this levy? Can you give us the dissection in terms of money collected from taxis versus money collected from rideshare services?

**Mr ANDREW CONSTANCE:** I am happy to take that on notice and come back with the most up-to-date number. We had an issue first up around, from memory, \$96 million to those plate owners and then we worked through a process of hardship. I must indicate to you—and this is important—that the Taxi Council, along with the Department of Premier and Cabinet, Treasury and Transport, worked through the issues at arm's length from me in terms of a hardship panel process to determine the criteria and assist in that process. That is important, but I will definitely come back to you with the latest number in that regard.

**The Hon. MARK BANASIAK:** Finally, is it true that due to the nature of Uber and rideshare service ownership, this Government cannot compel those companies to pass on that levy?

**Mr ANDREW CONSTANCE:** Again, the key element is that the money is being collected and the money is being distributed. The thing is that we, under legislation, put in place the levy. It is law, very deliberately. One of the benefits of providing a degree of light-touch regulation in this space is to ensure that we could allow

the innovation to flourish because we wanted to have better oversight as to what was happening within the ridesharing enterprises that exist.

It is not just Uber; there are now other entrants in the market. For us it is important. The other thing I would indicate to you is that during the election campaign I made it clear to the industry that we needed to work with them on some long-term reform to ensure it remains a viable industry, particularly given the technological disruption that we have seen so far and, as we move into a more autonomous world, the future disruptions that are going to occur in the years ahead. We want to continue to work with the Taxi Council very closely in this regard and the other operators in the industry.

**The Hon. MARK BANASIAK:** I like the use of the words "light touch", which basically tells me the answer that I wanted—that you cannot actually compel them. So thank you.

**Mr ANDREW CONSTANCE:** No, I think to be honest, under law they are required to pass on the levy and they do. If you have evidence to suggest they are not, I am happy to go and follow that up, absolutely.

**The CHAIR:** Minister, I want to ask you about the Sydney Metro Northwest and specifically the cuts to bus services that link local communities in the Hills area. Can you tell me a bit about why those buses have been cut and the services reduced, particularly the Hills direct to CBD buses?

**Mr ANDREW CONSTANCE:** We have just put in a \$7 billion rail line to those communities and as a result we have experienced a significant drop in bus patronage to the CBD. I think the latest numbers—do not quote me exactly—that I saw as a result of these bus changes, we saw an increase in patronage around 50 per cent on local services, whilst at the same time seeing a 35 per cent drop in patronage on the trunk services into the city. That is because people are using the train, a new \$7 billion train we have in place.

We made it clear from the outset that we were always going to adjust the bus network in north-west Sydney the moment we put the train line on. We wanted to examine the Opal data and design the network. I am happy to declare that there are a couple of issues that we are looking very closely at in terms of those bus network changes, for instance in and around Cherrybrook. But more broadly, what a fantastic outcome—the community has a brand-new metro train.

**The CHAIR:** Was there any consultation with the community between the opening of the metro and the cutting of the bus services, or was it just done in relation to the Opal data?

**Mr ANDREW CONSTANCE:** I will hand over to Mr Staples on the community engagement, but my expectation is that we monitor this on an ongoing basis. Obviously we saw a change in bus patronage as a result of the metro.

**Mr STAPLES:** At the time of introducing our metro and making the bus service adjustments, we have actually introduced about 1,500 new services in the north-west to better align with the existence of the metro service that is in place there now.

**The CHAIR:** When was that done? Can you clarify?

**Mr STAPLES:** That was done after the metro opening that we made adjustments to the bus services, which indicate that we need to provide more services to stations and less service direct to the city. That is based on monitoring the patronage and the reductions that the Minister talked about. We have had overall on average—and it does vary from service to service—about a 35 per cent reduction in bus patronage as a result of the metro opening, because people have shifted onto the metro service. That indicates that we—

**The CHAIR:** Were those buses at capacity beforehand or was the excess demand?

**Mr STAPLES:** It varied from route to route. For example, the bus services to Chatswood were largely at capacity, but they have substantially reduced—somewhere in the order of a 70 per cent to 80 per cent reduction in patronage on the bus services from The Hills district into Chatswood. The onus is really on us to absolutely look at the services and how we can adjust them to make them overall better for the broad customer base. That does not mean that every single customer wins out of those adjustments. We understand that there are trade-offs to be made around this, but we looked at the patronage data—the way people have been using the system, the way people have been using the metro, the way they have been accessing the stations—and we have made adjustments to the services on that basis.

**The CHAIR:** Do you think that the six-week period between opening the metro and cutting the services was sufficient in order to get that level of data?

**Mr STAPLES:** I think what was very obvious very early on with the metro was that the shift happened really quickly in terms of people's behaviour. We had a substantially rapid take-up in the use of the metro from day one.

**The CHAIR:** Are you aware of the large community sentiment, particularly in Cherrybrook, of people complaining by saying that it is actually taking them a lot longer to get to the city now because they are having to get a bus to the metro and then get on the metro, and some of them have to change again because it is not yet completed?

**Mr ANDREW CONSTANCE:** Coming from the country, the observation here is that, yes, we are aware of the submissions of Cherrybrook. Secondly, we are building Sydney Metro City as well, so this is an inconvenience for a couple of years until we get the second stage of the project in place. This is a brand-new railway. When we changed the bus network, patronage on the Sydney Metro Northwest grew by around 12 per cent. Ultimately we are trying to design the bus network. Not everybody is going to be happy when you make these changes, but it is about the greater good and the greater majority of people. We are going back and having a look at Cherrybrook, absolutely.

**The CHAIR:** You are fine-tuning the services and reassessing?

**Mr ANDREW CONSTANCE:** Yes.

**The CHAIR:** Do you think that having more direct community consultation after the Sydney Metro Northwest was opened might have prevented making those sorts of errors in the first place?

**Mr ANDREW CONSTANCE:** Guess what? We change the network every day of the week, pretty much. There are always services coming on and off all the time across the transport network. We look closely at the Opal data. We did not hide, in any shape or form, the fact that we were going to make changes to the bus network when we opened Sydney Metro. And guess what? So we should have. We are not going to go round running and burning fossil fuels and creating these great emissions unnecessarily with empty buses. You would have to see that.

**The CHAIR:** I understand that the Sydney Metro Northwest does not take the revenue from the operations of the Sydney Metro. Is that correct?

**Mr ANDREW CONSTANCE:** Sorry?

**The CHAIR:** In terms of the privatisation of the operation of the Sydney Metro, how does the operator make its money? Does it receive any fare income? You have said previously that the revenue actually comes to the State.

**Mr ANDREW CONSTANCE:** It is a public-private partnership. I will let Mr Staples answer.

**Mr STAPLES:** I want to clarify one thing on the data and then I will definitely answer that question. In terms of changes in customer demand on buses, I will rattle these off quickly: 51 per cent reduction on bus usage to Chatswood; 35 per cent to Macquarie Park; 33 per cent to North Sydney; and 20 per cent to the Sydney CBD. On average it is a 35 per cent reduction. That indicates that we needed to take action and adjust our bus services to accommodate the changes in the travel behaviour.

In terms of the way the operator is paid, they are paid through an availability payment regime that is quite common on PPP arrangements, and they are paid for their service performance. The revenue collected is collected through the Opal fare system and Transport for NSW receives that revenue, just like we do through the Sydney Trains service as well. The fare box is not direct to the operator. The operator is paid for running a reliable service—having clean trains and those sorts of performance indicators.

**The CHAIR:** Is one of those performance indicators numbers of people on the route?

**Mr STAPLES:** No, it is not. It has regimes such as the number of trains that run. They need to deliver a number of services per day. They need to deliver them to a certain time, to a certain headway. They need to have certain customer satisfaction and they need to have stations and precincts clean and so forth. They are the sorts of measures, which are the things that the operator can really—

**The CHAIR:** There is no measure for patronage?

**Mr STAPLES:** No, because world practice shows that, with rail lines, there are a number of external factors that influence patronage. For example, the amount of development that may be going on in and around the station, the performance of the economy at any particular point in time. All of those sorts of things have very

significant influences on patronage. We want to take the upside of those sorts of things, rather than giving it to an operator. We want the operator to focus on the things that they can control which are cleanliness, frequency, speed, availability of trains and all those sorts of parameters.

**The CHAIR:** So there would be no benefit for the operator of the Sydney Metro to have bus services that would then encourage the patronage of the metro?

**Mr STAPLES:** Absolutely not. The decision-making around bus services is not a matter for the metro operator. From a customer point of view, Transport for NSW focuses on the end-to-end journey experience. The metro is a component part of getting you from your front door to your place of work or the place of entertainment you are going to, but we are looking at the total journey—whether you are driving, whether you are getting a bus, whether you are using one of our new innovative On Demand bus services, the connections.

**The CHAIR:** In the course of all of your negotiations with the operator of the Sydney Metro, have any assurances ever been given about numbers of people being on the metro? In particular, has there ever been any kind of assurance, whether contractual or otherwise, to cut bus services in the Hills area in order to increase the numbers on the metro?

**Mr STAPLES:** No, absolutely not.

**The CHAIR:** Thank you.

**The Hon. PETER PRIMROSE:** My question is to you, Minister, or any of your officers, as you consider appropriate. Can you confirm that asbestos registers have existed at Sydney Trains for the period from July 2013 onwards?

**Mr ANDREW CONSTANCE:** Sorry, I did not catch your words, but I will ask Mr Collins.

**The Hon. PETER PRIMROSE:** Yourself or whoever you consider appropriate. It is the case, is it not, that asbestos registers have existed at Sydney Trains for the period from July 2013 onwards?

**Mr COLLINS:** Yes, Sydney Trains abides by strict protocols regarding the management and handling of asbestos according to the Work Health and Safety Act. We do have a number of asbestos registers, management plans, safety management systems and all that goes with managing asbestos.

**The Hon. PETER PRIMROSE:** Will you make those available to the Committee?

**Mr COLLINS:** We will take that on notice and we will be able to provide what is publicly available, which is obviously those registers.

**The Hon. PETER PRIMROSE:** My second question also relates to Sydney Trains. There are three plans that relate to asbestos management, aren't there?

**Mr COLLINS:** There are a lot of plans that relate to asbestos management. We are pretty clear. This is 165-year-old infrastructure. We have worked really hard to ensure that we protect our workforce, members of the public and anyone associated with that. We have had a major campaign in making sure we either contain or remove asbestos according to the law.

**The Hon. PETER PRIMROSE:** Your earlier advice that there are three plans is incorrect? There are more than three plans?

**Mr COLLINS:** As with the complexity of asbestos, there are a lot of different plans. It depends on what plans you want me to refer to, but there are a number of plans. Obviously it is driven by ensuring that each site and each location has a register. We manage those materials through the relevant SafeWork NSW codes of practice.

**The Hon. PETER PRIMROSE:** Will you be able to provide a list of those plans to the Committee?

**Mr COLLINS:** I will take on notice what detail is available, but certainly we ensure that for those people who are involved in the stations and occupations of the stations, any work, those plans are available.

**The Hon. PETER PRIMROSE:** Can you provide a list of those plans to the Committee?

**Mr COLLINS:** I will take that on notice and see what plans you are referring to and make available what we have.

**The Hon. PETER PRIMROSE:** What you have? I presume you have all the plans. Is that correct?

**Mr COLLINS:** There are thousands of documents. If you clarify what you mean by plans it would certainly assist me in providing the accurate documents. Have you any particular site or location or the register itself? I certainly can provide that information to you on notice.

**The Hon. PETER PRIMROSE:** The reason I suggested there were three plans is because that was your advice, and that those management plans were last reviewed on 3 January 2018, 14 August 2018 and 17 August 2018. Could you make those plans available to the Committee?

**Mr COLLINS:** Now you have given me what the records are, obviously, we certainly can make those available.

**The Hon. JOHN GRAHAM:** Minister, I am keen to ask you about the trials of On Demand buses.

**Mr ANDREW CONSTANCE:** I was ready for this.

**The Hon. JOHN GRAHAM:** How many trials of the services have there been now?

**Mr ANDREW CONSTANCE:** From memory, I think around 22-odd.

**The Hon. JOHN GRAHAM:** Perhaps 23?

**Mr ANDREW CONSTANCE:** Okay, thank you.

**The Hon. JOHN GRAHAM:** How much have those trials cost in total?

**Mr ANDREW CONSTANCE:** Again, we set aside \$20 million.

**The Hon. JOHN GRAHAM:** Agreed.

**Mr ANDREW CONSTANCE:** It is a combination of responsibility that rests with me and the regional transport Minister.

**The Hon. JOHN GRAHAM:** Understood. Do you agree that part of the Transport for NSW criteria is this: Customer use is the ultimate measure of success?

**Mr ANDREW CONSTANCE:** One of the things that we are trying to achieve here—

**The Hon. JOHN GRAHAM:** Minister, it is a straightforward question. I will get to others, but do you agree that is part of the criteria?

**Mr ANDREW CONSTANCE:** Of course. Why else would we do it? You do not do something to disadvantage customers—that is a novel concept.

**The Hon. JOHN GRAHAM:** Minister, that is one of the ones we agree on. You agree that these trials have been cancelled now: Wetherill Park, Manly, Carlingford, Punchbowl?

**Mr ANDREW CONSTANCE:** Yes, I believe that is correct.

**The Hon. JOHN GRAHAM:** I want to ask about the cost of the trial in Eden and Candelero. Can you confirm that it is \$304,547?

**Mr ANDREW CONSTANCE:** Of a \$29 billion Transport budget, it might be, but, again—

**The Hon. JOHN GRAHAM:** I agree with the context but can you confirm that is the cost?

**Mr ANDREW CONSTANCE:** Excuse me, wait.

**The Hon. WES FANG:** Point of order—

**Mr ANDREW CONSTANCE:** Just to help you out and a couple of others who are interested in this topic—

**The Hon. JOHN GRAHAM:** Do we agree on this one, Minister?

**Mr ANDREW CONSTANCE:** I am not the Minister.

**The Hon. JOHN GRAHAM:** Do we agree on this one? Is it \$304,000?

**Mr ANDREW CONSTANCE:** Stop. I am not the regional transport Minister, mate. You need to pose the question to the relevant Minister. I am not the relevant Minister.

**The CHAIR:** I will hear the point of order.

**The Hon. WES FANG:** The Minister is clearly trying to answer the question and provide a very detailed response.

**The Hon. JOHN GRAHAM:** I am not sure that is right.

**The Hon. DANIEL MOOKHEY:** I am not sure the use of the word "clearly" is right.

**The Hon. PETER PRIMROSE:** Trying is correct.

**The Hon. WES FANG:** The Hon. John Graham is constantly interrupting the Minister. I ask him to allow the Minister to provide the details to his question.

**The Hon. DANIEL MOOKHEY:** To the point of order: The Minister is being directly relevant.

**The CHAIR:** Mr Graham, if you could listen when the Minister is being directly relevant, otherwise feel free to ask your questions.

**The Hon. JOHN GRAHAM:** Can you confirm that the average cost in the first eight months of those trips—69 trips over eight months—is more than \$4,400 in this trial in Eden and Candelo?

**Mr ANDREW CONSTANCE:** I am not the right Minister to ask. There is a regional transport Minister, so you need to pose the question—

**The Hon. JOHN GRAHAM:** Minister, this is in your electorate.

**Mr ANDREW CONSTANCE:** So what? I don't care whether it is in my electorate or in the Riverina or Moree or other regional places.

**The Hon. JOHN GRAHAM:** You are responsible for these Acts as transport Minister. We are perfectly entitled to ask you.

**Mr ANDREW CONSTANCE:** I am sorry, hang on a second, we have a regional transport Minister responsible for the on-demand pilots—

**The Hon. JOHN GRAHAM:** Minister, why haven't these trials been cancelled? Other trials have been.

**Mr ANDREW CONSTANCE:** I will ask you to pose the question to the correct Minister.

**The Hon. JOHN GRAHAM:** I am asking you. You are responsible under the Act.

**Mr ANDREW CONSTANCE:** No, I am sorry, I am not the regional transport Minister and very deliberately I am at arm's length from this issue.

**The Hon. JOHN GRAHAM:** Minister, five people caught this bus in June 2019.

**Mr ANDREW CONSTANCE:** I know where you are going with this. It is grubby; it is typical of you lot. Quite frankly, I am happy to provide, through the regional transport Minister, an answer to your questions, but my observation is, as I understand it, as regional transport Minister, he has carriage of on-demand pilots. I can make the point—

**The Hon. JOHN GRAHAM:** Let me ask you more generally.

**Mr ANDREW CONSTANCE:** Sure.

**The Hon. JOHN GRAHAM:** I have in my mind the fact that only five people caught this bus in Eden or Candelo in June 2019, but I am asking you more generally—

**Mr ANDREW CONSTANCE:** How many caught it last week in that trial?

**The Hon. JOHN GRAHAM:** I am asking you more generally.

**The Hon. DANIEL MOOKHEY:** Do you know those five people?

**Mr ANDREW CONSTANCE:** Sorry?

**The Hon. DANIEL MOOKHEY:** Do you know the five people who used the service?

**Mr ANDREW CONSTANCE:** It is interesting if you are now going to deny rural and remote communities access to the same trials that are being run in metropolitan Sydney in a time of drought—

**The Hon. JOHN GRAHAM:** I am just asking why you have cancelled other trials but you have not cancelled the trial in your electorate. That is the question here.

**Mr ANDREW CONSTANCE:** You have to ask the right Minister.

**The Hon. JOHN GRAHAM:** The other trials are gone. Why wasn't this trial cancelled?

**Mr ANDREW CONSTANCE:** I will have you know that that question, firstly, needs to be directed to the right Minister; secondly, if you are suggesting that I somehow was involved, you are wrong; and thirdly, it is done at arm's length through the agency. This is not like the Labor Party where we interfere in things like this.

**The Hon. JOHN GRAHAM:** Minister, at any point has this trial been raised with you in departmental briefings either verbally or in writing?

**Mr ANDREW CONSTANCE:** Again, the point out of this is that we established a series of trials around the State when I did have carriage of it as transport Minister. At the election a regional transport Minister was appointed, you would have to ask him.

**The Hon. JOHN GRAHAM:** No, I am asking you. Has this been raised with you?

**Mr ANDREW CONSTANCE:** No, ask the right Minister, old mate. Old trout, you're sitting here trying to go down a rabbit hole I am not going to go down.

**The Hon. JOHN GRAHAM:** Minister, I am asking you. Has this trial been raised with you verbally or in writing.

**Mr ANDREW CONSTANCE:** Don't get annoyed at me; it is rude. I mean just calm down, old trout.

**The Hon. JOHN GRAHAM:** Has this trial been raised with you verbally or in writing?

**Mr ANDREW CONSTANCE:** Calm down. Again, the point out of it—

**The Hon. JOHN GRAHAM:** I cannot ask the other Minister that because it is not relevant to him.

**Mr ANDREW CONSTANCE:** He is the regional transport Minister and this is an on-demand pilot in regional New South Wales.

**The Hon. JOHN GRAHAM:** Minister, has this trial been raised with you verbally or in writing by the agency?

**Mr ANDREW CONSTANCE:** By the agency? Directly with me?

**The Hon. JOHN GRAHAM:** Yes.

**Mr ANDREW CONSTANCE:** No. But the point out of it is that I am not the Minister.

**The Hon. JOHN GRAHAM:** Not verbally; not in writing?

**Mr ANDREW CONSTANCE:** I am not the Minister.

**The Hon. JOHN GRAHAM:** Not at the commencement of the trial?

**Mr ANDREW CONSTANCE:** Listen, mate, I have just answered your question. I am not the Minister.

**The Hon. DANIEL MOOKHEY:** What is the total forecast cost for the Sydney Metro West?

**Mr ANDREW CONSTANCE:** I know where this is going because you have uncovered a tweet from two years ago. Geez, mate, you have done your homework over the last 12 months.

**The Hon. DANIEL MOOKHEY:** What tweet are you referring to? Is that your tweet?

**Mr ANDREW CONSTANCE:** The tweet you referred to in the Treasury estimates. Just on this I went back through Twitter last night but it was clogged up with this ICAC hearing stuff, and I couldn't quite get past that. That's right, you lot rig democracy, I remember that.

**The CHAIR:** Order!

**Mr ANDREW CONSTANCE:** I have an Aldi shopping bag in my office too. I just make this point to you: If you are going to refer to this tweet—and I could not find it—can you table it? I want you to read out what I said in the tweet.

**The Hon. DANIEL MOOKHEY:** That is not the question actually.

**Mr ANDREW CONSTANCE:** I have just given you a reference point to help you out.

**The Hon. DANIEL MOOKHEY:** What is your estimated total cost for the Sydney Metro West?

**Mr ANDREW CONSTANCE:** The final cost will be when we sign the contract. Guess what? We are not at the signing of contract stage yet, so come back and see me in a couple of years, Mr Mookhey.

**The Hon. DANIEL MOOKHEY:** Has the business case for the Sydney Metro West been completed?

**Mr ANDREW CONSTANCE:** The point that I make, and I know where you are going, is that—

**The Hon. DANIEL MOOKHEY:** Minister Constance—

**Mr ANDREW CONSTANCE:** We will have a final price tag on this when the contract is signed. That is how this works.

**The Hon. DANIEL MOOKHEY:** Minister Constance, has the—

**Mr ANDREW CONSTANCE:** And actually I am glad you have raised Sydney Metro West because it reminds me of what you lot did in office. You cancelled this project I think, didn't you? And burned half a billion dollars on the way through.

**The Hon. DANIEL MOOKHEY:** Has Infrastructure NSW completed the business case? It is a straightforward question. You do not have to get too excited about it, just give us a straight answer. It is okay, take your time, deep breaths.

**Mr ANDREW CONSTANCE:** I am happy to help you. Infrastructure NSW does not prepare the business case.

**The Hon. DANIEL MOOKHEY:** Oh good, there we go, Transport for NSW must do it then. Has Transport for NSW completed a business case?

**Mr ANDREW CONSTANCE:** You can answer—this guy is a turkey.

**Mr STAPLES:** We are still in the process of finalising the business case for Sydney Metro West.

**Mr ANDREW CONSTANCE:** There you go. Guess what that means? There is no estimated total cost. Usually—guess what we do?—when we finalise a business case we go to market, then we work out what the cost will be and then we sign some contracts. Guess what? There is the final cost. You will not know that for a couple of years, so just—

**The Hon. DANIEL MOOKHEY:** How many rail stops are being planned?

**Mr ANDREW CONSTANCE:** Again, we have been out to the community on this. We made it crystal clear that we wanted to put a number of stops between here and Westmead to be able to deliver this fantastic project for the 3 million people of western Sydney. Naturally we made it clear that we wanted stops at the Bays precinct, Sydney Olympic Park, Parramatta, Westmead and, of course, the CBD as well. We have also done some work to work out where some of those intermediate stops should be in between. As part of that naturally you would look at North Strathfield where there is the intersection with the northern line. That is the type of thing we do, Mr Mookhey, to plan a railway—unlike you lot, who cancelled this project when it should have been built 20 years ago.

**The Hon. DANIEL MOOKHEY:** Is there going to be a stop at Rydalmere?

**Mr ANDREW CONSTANCE:** Again, we have made no decision in relation to Rydalmere, and that is part of this process. We worked through a process with metro city—you will recall this—where we made a decision between Sydney University and Waterloo. We are working through similar processes with some of these stations.

**The Hon. DANIEL MOOKHEY:** But is Rydalmere being considered?

**Mr ANDREW CONSTANCE:** I just indicated and answered that.

**The Hon. DANIEL MOOKHEY:** And I am asking you specifically. In the process of the preparation work that you have just described, which was actually quite helpful, is Rydalmere being considered?

**Mr ANDREW CONSTANCE:** Yes.

**The Hon. DANIEL MOOKHEY:** When are you anticipating that you will be in a position to provide advice to the people of Rydalmere, amongst many others, as to whether there is going to be a stop there?

**Mr ANDREW CONSTANCE:** We indicated we were going to look at a number of stations, including Pyrmont. Again, we will work through our processes. We want to try to keep the travel time between the city and Parramatta to around 20 minutes—that is the aim. Ultimately, we have the delivery record, unlike the Labor Party, to get on with this.

**The Hon. DANIEL MOOKHEY:** In your consideration of a Sydney Metro West stop at Rydalmere, have you received advice that such a stop may render the Parramatta Light Rail Stage 2 unviable?

**Mr ANDREW CONSTANCE:** Now you are going to make questioning interesting. Just on this score, first of all, my priority and my focus is to get Sydney Metro West built because when you were last in office you cancelled it. If it had not been cancelled we would not have the congestion that we have, particularly on the city trains network, at this time. We want to see the project go ahead and, as part of that, we are working through the processes around the best way to build it.

One of the reasons why I want to integrate the Roads and the Transport agencies together is because I do not see us building projects in a silo-based way anymore. We would engage with other project teams, including the work that is being undertaken through Roads and Maritime Services and through the work that is being undertaken with Parramatta Light Rail. Mate, I would urge you to go out to Parramatta. You will see some work underway because we are getting on with building Parramatta Light Rail.

**The Hon. DANIEL MOOKHEY:** That is nice, but my question—

**Mr ANDREW CONSTANCE:** Well, it is nice.

**The Hon. DANIEL MOOKHEY:** —was straightforward: Have you received advice that the construction of a stop at Rydalmere on the western metro would render the Parramatta Light Rail Stage 2 unviable?

**Mr ANDREW CONSTANCE:** No, I have not. I can go back and check. The bottom line is that we have indicated, and I have said publicly in the last couple of weeks in relation to Parramatta Light Rail Stage 2, that we want to get on and start to build much improved transport, particularly to the Sydney Olympic Park. One of the infrastructure builds that I identified was the bridge between Melrose Park and Wentworth Point so that we can improve public transport through that part of town, so ultimately—

**The Hon. DANIEL MOOKHEY:** Minister, how much has the New South Wales Government collected—

**Mr ANDREW CONSTANCE:** I am still finishing my answer.

**The Hon. DANIEL MOOKHEY:** How much has the New South Wales Government collected via the special infrastructure levy for the construction of Parramatta Stage 2?

**Mr ANDREW CONSTANCE:** Again, I do not have responsibility for the special infrastructure levy. That is a question that you would need to ask the Minister for planning. The point that I would make is that we are not at an investment stage decision in relation to Parramatta Light Rail Stage 2 just yet and, as part of any investment decision, we obviously resolve the financing of the infrastructure as well. Again, I know that concerns have been raised by David Borger and Chris Brown—the very good, strong lifelong Liberals that they are who have been raising some concerns about this.

**The Hon. DANIEL MOOKHEY:** Put their minds at ease.

**Mr ANDREW CONSTANCE:** Are you asking the questions for them?

**The Hon. DANIEL MOOKHEY:** I will speak to Geoff Lee as well, incidentally, because he has got an interest in this, and the public.

**Mr ANDREW CONSTANCE:** There is a disclosure of a conflict of interest.

**The Hon. DANIEL MOOKHEY:** It is very straightforward. Sitting here right now, make me relax, guarantee—

**Mr ANDREW CONSTANCE:** I do not think I can achieve that.

**The Hon. DANIEL MOOKHEY:** You can try. Guarantee that the Parramatta Light Rail stage two will be built.

**Mr ANDREW CONSTANCE:** Again, I have made it crystal clear that with our infrastructure pipeline we are a government that gets on and delivers and in terms of all of our projects we must make sure that in terms

of the pipeline we go to market in a timely way. I have indicated to you just before then that we wanted to get on and build a bridge which will be part of that project.

**The Hon. JOHN GRAHAM:** Minister, you have not given a guarantee that you have in the past. Will you guarantee this project will get built?

**The Hon. DANIEL MOOKHEY:** It is straightforward. Just guarantee right now to the people of Parramatta, as you promised them in a number of elections, that they are going to get the second stage of the light rail. Just promise them. It is a really straightforward question. You will put their minds at ease. You have done it before and you can do it again. Just tell us right now, straight, you are going to build the second stage of the Parramatta Light Rail.

**Mr ANDREW CONSTANCE:** I am not into giving guarantees, particularly to Labor Party members who rig elections through their behaviour at ICAC.

**The Hon. JOHN GRAHAM:** Why are you backing away now?

**The Hon. CATHERINE CUSACK:** Nobody likes being lectured about this by Labor, believe me.

**Mr ANDREW CONSTANCE:** Seriously, old mate, I have indicated to you we are building stage one at this point in time; we are getting to an investment decision in relation to stage two. Our focus is Metro West. I want to try and give you this answer to help you relax.

**The Hon. DANIEL MOOKHEY:** In 2017 you released a paper that said that the second stage of the Parramatta Light Rail will connect to Sydney Metro West, heavy rail in Parramatta and Sydney Olympic Park and ferry services at Rydalmere and Sydney Olympic Park and that a preferred route has been decided upon. When you said that in 2017 the people of Parramatta, amongst many other people, credited it favourably. So guarantee now that your position, as you stated in 2017, is that the second stage of the Parramatta Light Rail will connect to Sydney Metro West, heavy rail in Parramatta and Sydney Olympic Park and ferry services at Rydalmere and Sydney Olympic Park. Just guarantee that that is all still true and that is all still going to be delivered. And, just by the by, can you tell us when precisely you will be delivering this?

**Mr ANDREW CONSTANCE:** What amuses me about this is that when you released your election plan you did not even include Parramatta stage two in it and the Labor Party had to rush out the next day and go, "Oh, we forgot that."

**The Hon. DANIEL MOOKHEY:** Minister, I am just asking you about your 2017 position. It is your words; you asked me. I am very helpfully providing them. Just agree. Do you agree with yourself?

**The Hon. WES FANG:** Point of order—

**The Hon. DANIEL MOOKHEY:** Does 2019 Minister Constance agree with 2017 Minister Constance?

**The CHAIR:** I will hear the point of order from Mr Fang.

**Mr ANDREW CONSTANCE:** I agree with myself all the time.

**The Hon. DANIEL MOOKHEY:** You might be the only one.

**The CHAIR:** Mr Mookhey, I am trying to hear the point of order.

**The Hon. WES FANG:** The Labor Party should choose who is asking the questions. I think it is making it very difficult for Hansard to annotate who is speaking. When the Hon. Daniel Mookhey and the Hon. John Graham are both parroting the same question at the same time, I am sure Hansard will struggle to work out who—

**The CHAIR:** Thank you, Mr Fang, I understood your point of order. I think it is very important that we remember that Hansard staff are trying to hear. That also applies to Government members. They too are intervening and speaking over the top, as Ms Cusack was doing before. It makes it very difficult. If we could all just allow one person to ask questions and one person to answer.

**Mr ANDREW CONSTANCE:** You guys are like seagulls around chips in a park.

**The Hon. JOHN GRAHAM:** Minister, I am returning to your answer on the Northwest Metro bus cancellations where you said, "We did not hide it in any form." On 22 March, the day before the election, the member for Baulkham Hills wrote the following on Facebook to his electorate, "Baulkham Hills residents can rest assured there's no secret plan to reduce bus services along the M2". How do you reconcile that with your claim?

**Mr ANDREW CONSTANCE:** Again, we made it clear at the time we were always going to watch and look at bus patronage. Again, I applaud those local members; they have been representing their communities—

**The Hon. JOHN GRAHAM:** That member was hiding it though. Do you accept that?

**Ms CATE FAEHRMANN:** Minister, I want to ask you some questions about cycling.

**Mr ANDREW CONSTANCE:** Do you know about road rule 250?

**Ms CATE FAEHRMANN:** Are you aware of how many cyclists have died on New South Wales roads in 2019?

**Mr ANDREW CONSTANCE:** Let me get the road stats up because there is an important point to be made here in terms of the changes that were made in terms of the requirements of drivers to drive a distance between cyclists.

**Ms CATE FAEHRMANN:** That is right. Unfortunately, I do not think that is working because the statistics indicate 10 cyclist deaths. In fact, I have got it in front of me. The statistics actually indicate 11 cyclist deaths compared to eight at the same time last year.

**Mr ANDREW CONSTANCE:** Unfortunately, and this is the sad part at the moment, this year's road toll is up at 242 thus far and pedestrians and cyclists alike. I am concerned about what is going on in relation to those road users. There is no doubt, certainly in terms of cycling—I am just trying to get the exact number up for you—

**Ms CATE FAEHRMANN:** The statistics I have in front of me show that, yes, there has been an increase across the board, you are right, but there has been a 38 per cent increase in cyclist deaths compared to a 5 per cent increase for drivers. For example, 16 per cent for passengers minus 31 per cent for pedestrians. So when you look at the percentage change there seems to be an extraordinary increase in the number of cyclist deaths compared to other road users and this is at a time when you said you have implemented, which I know the Government has, the one-metre rule.

**Mr ANDREW CONSTANCE:** It depends on the speed.

**Ms CATE FAEHRMANN:** Why is there an increase—

**Mr ANDREW CONSTANCE:** It is not one metre only. If it is above 60 kilometres it is 1½. One observation I would make on that is yesterday I was with the mayor of the City of Sydney and one thing that I had observed in terms of their statistics is that they have seen an increase of 139 per cent in terms of the usage of bicycles on the road in this local government area alone in the last seven years. So whilst we are seeing obviously an increase in terms of accidents, at the same time we are seeing a correlating increase in terms of the number of people using cycleways.

**Ms CATE FAEHRMANN:** Are you sure it is correlating? Are you saying in the last 12 months there has been a 38 per cent increase in the number of cyclists on the road?

**Mr ANDREW CONSTANCE:** The only witness that does not seem to have been called from the department today was the Centre for Road Safety, which I find disappointing because Bernard Connolly would have told you and been able to give you exact information in relation to that correlation. But there is no doubt you would expect if they are going to see a lot more people riding bikes, unfortunately, you are going to see a correlation in terms of the increase in accidents and, unfortunately, deaths. I think one of the key elements in all of this is that we have a very targeted and ongoing road safety campaign but we have got to try and better educate everybody. There is personal responsibility that sits alongside this as well.

From a government perspective we are now investing about \$600 million in active transport projects around the State—that is at huge levels. Yesterday I was able to announce another \$7.5 million for additional bike paths in the local government area of the City of Sydney, connecting Anzac Bridge, for instance, to the city. The more separation that we can achieve in this regard—ultimately it is really important. Mr Staples has just put this number in front me. There has been a 38 per cent increase in cycle deaths in the past 12 months.

**Ms CATE FAEHRMANN:** That is what I have been saying.

**Mr ANDREW CONSTANCE:** That is unacceptable.

**Ms CATE FAEHRMANN:** Yes, it is.

**Mr ANDREW CONSTANCE:** That is the exact number.

**Ms CATE FAEHRMANN:** That is what I said.

**Mr ANDREW CONSTANCE:** That is unacceptable and we have got to continue to invest like we are in terms of separating cyclists away from pedestrians and cars and, at the same time, make sure that existing road users are mindful of the dangers around cyclists when using our roads. I think it is really upsetting to see what is going on.

**Ms CATE FAEHRMANN:** So upsetting is fine, Minister—

**Mr ANDREW CONSTANCE:** No, don't be patronising.

**Ms CATE FAEHRMANN:** But a 38 per cent increase—

**Mr ANDREW CONSTANCE:** Don't be patronising. Don't patronise me.

**Ms CATE FAEHRMANN:** What I am asking is—

**Mr ANDREW CONSTANCE:** Don't patronise me.

**Ms CATE FAEHRMANN:** —what is the Government doing?

**Mr ANDREW CONSTANCE:** This is serious.

**Ms CATE FAEHRMANN:** I know it is serious.

**Mr ANDREW CONSTANCE:** Six hundred million bucks in brand-new infrastructure and, at the same time—

**Ms CATE FAEHRMANN:** Six hundred million bucks. What about driver education? How much of that—

**Mr ANDREW CONSTANCE:** —educating road users, introducing new rules—

**Ms CATE FAEHRMANN:** How much of that \$600 million is for driver education around cyclist safety?

**Mr ANDREW CONSTANCE:** No, this is new infrastructure. This is infrastructure. This is the hard infrastructure. We have a \$1.9 billion program around road safety.

**Ms CATE FAEHRMANN:** How much of that is separated cycling infrastructure then?

**Mr ANDREW CONSTANCE:** I can take that on notice, but that is going into shared pathways and brand-new cycleways. We are at record levels here in terms of trying to achieve that. You know that.

**Ms CATE FAEHRMANN:** Minister, I have been informed that as a result of close passes and the injuries and deaths we have talked about, and the failure of current education campaigns to change driver behaviour, that Bicycle NSW together with the New South Wales police developed an alternative road safety campaign but they have been refused requests for funding to complete its development and distribution. Do you know about that and do you know why that is?

**Mr ANDREW CONSTANCE:** I am not aware of that but I am happy to go away and have a look at it.

**Ms CATE FAEHRMANN:** Would you have a look at that?

**Mr ANDREW CONSTANCE:** Yes, absolutely.

**Ms CATE FAEHRMANN:** Would you agree that something between Bicycle NSW and the New South Wales police would be a good project for the Government to get behind?

**Mr ANDREW CONSTANCE:** Absolutely, but I have just recently been here with a bunch of kids who have designed posters around cycling and I went and put the posters up in trains.

**Ms CATE FAEHRMANN:** I was there, too.

**Mr ANDREW CONSTANCE:** Yes, I have gone and put them up in Sydney trains to try and drive the awareness but there is mutual obligation here. There is a requirement for cyclists to obey the road rules because let me tell you, some of the behaviours that I am seeing around the city are terrible. At the same time, I expect other road users to also be mindful of the dangers of cycling when passing and being around cyclists. We are investing in new pathways to separate them out, we have targeted campaigns. If you are saying that there is a program that has been developed somewhere that has not been accepted, I will go and have a look at that.

**Ms CATE FAEHRMANN:** I understand some of the deaths over the past 12 months have been in relation to heavy vehicles, which have been very tragic. The Australian Trucking Association is calling for legislative reform through the Heavy Vehicle National Law Review to improve safety. I know Bicycle NSW has been campaigning for this as well. These are basically measures such as the rails underneath the trucks. Have you had any discussions with your Federal counterparts around that review into heavy trucks? Basically, it is an underrun protection that has been recommended to stop cyclists being sucked under. They are literally sucked under trucks if a truck hits them and that has happened a couple of times this year. If there was an underrun protection on those trucks—I understand some jurisdictions in other parts of the world have them—the cyclist is deflected away and possibly it is not a fatality. Have you had discussions around that?

**Mr ANDREW CONSTANCE:** I have not but that is not to say that the regional transport Minister might not have. We are dealing through a process at the moment in terms of the Heavy Vehicle National Regulations, a national body in that sense, to get that reform right. Again, I am happy to take that issue up for you and go and have a look very closely at that issue of cyclists being sucked up underneath trucks and what could be done in terms of safety improvements there. Again, though, my observation would be that it is the type of national reform that would be required—

**Ms CATE FAEHRMANN:** It is.

**Mr ANDREW CONSTANCE:** —so that we have consistency regardless of where you are in Australia. But I am not sure if anyone else from the agency is aware of that issue. I would have to take it on notice.

**Ms CATE FAEHRMANN:** I would be happy to get you some information actually. Another thing in relation to cyclist safety is light rail projects and the light rail tracks. Having cycled for a few years in Melbourne I am well aware of what happens when your bike tyre gets stuck in a tram track. It is not great. In spite of multiple serious injuries and complaints being made about a dangerous light rail crossing in Newcastle, nothing was done. Unfortunately, a young man called Danny Egan died crashing at this intersection where it is apparently impossible for people riding bikes to cross the light rail tracks at 90 degrees, which is what you have to do. I understand similar problems exist with some of Sydney light rail intersections. I wanted to know what discussions you have had about the light rail tracks and cyclist safety in Sydney?

**Mr ANDREW CONSTANCE:** When I became aware of that incident in Newcastle I was pretty upset by it, to be honest. I am sorry that someone has lost their life. Mr Staples can work through some of the things that have happened since then.

**Mr STAPLES:** Thank you, Minister. Just to share the Minister's point, obviously, every incident like that in Newcastle is a real tragedy and we offer our condolences to the family. That particular incident is a matter of a coronial inquiry so we will wait to hear in terms of the outcomes of that and any recommendations from that. In the meantime, we have conducted ourselves, or are finalising a review of the environment up there. It is a safety review, independently, to see whether there were any other measures that might be appropriate at that location. Obviously anything we learn out of that we would be sharing into the Sydney light rail project. Mr Pascall would certainly be able to talk about some of the things that we are doing in readiness for—

**Ms CATE FAEHRMANN:** Can I just ask whether the safe rails technology is a part of investigating that? I understand some of the cyclist groups have looked into this technology, which is used overseas, which you can put into the tracks and it makes it impossible for tyres to be caught in that? And if not, would you commit to look having a look at it?

**Mr STAPLES:** I am happy to take on notice the specifics on that and see whether or not the review has examined that particular element?

**Ms CATE FAEHRMANN:** Thank you.

**The Hon. MARK BANASIAK:** Minister, I refer back to one of your comments about the process you go through in terms of business cases then going to market. My first question is when you go to market is an open, free market or is it a limited tender?

**Mr ANDREW CONSTANCE:** I am not quite sure what you mean.

**The Hon. MARK BANASIAK:** I mean is it open for all businesses to put in a tender or do you have a limited select group of people or businesses that you deal with?

**Mr ANDREW CONSTANCE:** Typically we have a pre-tender qualification process.

**The Hon. MARK BANASIAK:** My question is: What processes do you go through when you are formulating the business case? You have a potential figure in mind in terms of costings so you will avoid getting, essentially, price gouged by these people?

**Mr ANDREW CONSTANCE:** Generally, at the moment, we are in a fairly volatile, hot contractors' market. We have put so much infrastructure out there that there are pressures that are being brought to bear in terms of bidding and costs associated with infrastructure. It is not just in New South Wales. In Victoria the market is hot, too. In fact, the Victorian Premier actually confirmed that they had run out of concrete and sand. We are seeing cost pressures being brought to bear through the contractors' market, there is no doubt about that.

We typically do market soundings in advance of business case development. We do go out and engage with industry players. As part of that we have in place, and we have worked hard—last year when I was infrastructure Minister—with Jim Betts to put in place a 10-point plan to try to make it a more attractive environment for contractors to be able to bid for government contracts. But I have to be honest with you. The market at the moment is very hard. It is a challenging environment and we are seeing cost escalations through the private sector, but we will continue to work with them to try to put as much downward pressure in terms of big costs when it comes to infrastructure.

**The Hon. MARK BANASIAK:** My next question goes to an issue with Canowindra Public School and St Edward's Primary School. In response to representations by my colleague Phil Donato, you said that the RMS was looking into options regarding the construction of a student crossing for those two schools, which are situated on a State highway. Has RMS come to a conclusion as to what those options are considering, I imagine, the only two options are you either build it or you do not?

**Mr ANDREW CONSTANCE:** Okay. If we can get an answer for you today on that, we will, but I will have to take that on notice, first up. It is one of the great challenges of country New South Wales; there are a lot of schools on regional highways.

**The Hon. MARK BANASIAK:** My next question is regarding business cases again. Was there one done on the Bathurst Bullet 2 rail service, including the cost-benefit analysis? And was that done before this additional rail service was announced on 19 February this year?

**Mr ANDREW CONSTANCE:** I will have to ask you to put that question to the regional transport Minister. Again, I would have to take that on notice, but it is more appropriately asked of the appropriate Minister.

**The CHAIR:** Of the 15 bus regions in the Greater Sydney metropolitan district only three remain publicly operated by the State Transit Authority. Are there any plans to privatise the services operating in regions seven, eight and nine?

**Mr ANDREW CONSTANCE:** I am not hiding the fact that after the region six franchise we are obviously having a look at that. Again, 80 per cent of the bus services in Sydney are run by the private sector. The private sector runs all of regional New South Wales buses. But at this stage I have not made any announcement in relation to that. One thing that I will do with this process will be to engage with the Rail, Tram and Bus Union very closely at the appropriate time.

**The CHAIR:** Will there be a community consultation process?

**Mr ANDREW CONSTANCE:** Again, we have worked through a very successful franchise in terms of our out-of-metropolitan and metropolitan bus contracts over many, many years. Again, ultimately our aim is to deliver more frequent services, better services. That is why you would embark on a franchise process. It is about the customer for us. In region six we have seen a 20 per cent increase in terms of bus patronage since we undertook that franchise. On-demand services are embedded into the contract—

**The CHAIR:** Is there a reason why seven, eight and nine have been saved from privatisation so far?

**Mr ANDREW CONSTANCE:** I just answered your question. We are having a look at franchising; not privatisation, franchising.

**The CHAIR:** Is there any reason why they are last?

**Mr ANDREW CONSTANCE:** Just to help you out here because I do not think you were in Parliament when we did this. First of all, we still own—the public, the community—still own the businesses, the depot, we still set the timetables and we still control the Opal fares. That is all done. It is the management of the service that is done with a private operator. At this stage I have made no announcement in relation to seven, eight and nine.

**The CHAIR:** Since privatising public transport services in Newcastle the buses operating on-time have dropped from 87 per cent to just 52 per cent. Is that an example—

**Mr ANDREW CONSTANCE:** Let me check those numbers for you because I am not quite sure where you got them. Where did you get those numbers from?

**The CHAIR:** I am looking at the *Newcastle Herald* reporting.

**Mr ANDREW CONSTANCE:** First of all, we have a integrated services contract there. That was put in place and since that Newcastle Transport was established.

**The Hon. JOHN GRAHAM:** It is your friends at the *Newcastle Herald*.

**Mr ANDREW CONSTANCE:** We have had a 38 per cent increase in the bus services per week—that is, 1,700 additional services.

**The CHAIR:** Since when?

**Mr ANDREW CONSTANCE:** Seventeen hundred additional services since we did that franchise.

**The CHAIR:** Sorry, the figure before that? You said there was an increase.

**Mr ANDREW CONSTANCE:** Thirty-eight per cent.

**The CHAIR:** From when to when?

**Mr ANDREW CONSTANCE:** Since we implemented Newcastle Transport. That is a pretty good success rate I would have thought. If you go back and have a look at the numbers in terms of declining patronage in Newcastle before that it was ridiculous. Prior to the franchise in the public transport network in Newcastle there were empty buses running around the city all day, every day. I would also add we have added 100 additional ferry services—that is, a 19 per cent increase—and 1,500 light rail services per week.

**The CHAIR:** The on-time running figures—

**Mr ANDREW CONSTANCE:** That is what I call success; when you get people using public transport—

**The CHAIR:** Can we look at the on-time running figures?

**Mr ANDREW CONSTANCE:** —not using those heavy emitters in terms of cars. Sorry?

**The CHAIR:** Did you have the on-time running in that?

**Mr ANDREW CONSTANCE:** Let me look and see if I have it here in the note. I might have to take the on-time running on notice. But generally that gives you an indication. There has been changes to the network in terms of redesign. For instance, there has been the introduction of four high-frequency 15-minute routes on key corridors and we have seen the introduction of on-demand. And obviously, as part of it, the introduction of light rail, which has gone gangbusters, has been fantastic. I think the main thing is that we will continue to monitor that. I will get you the on-time running numbers if that is what you would like.

**The CHAIR:** Yes, that would be great.

**Mr ANDREW CONSTANCE:** I have not got them here, sorry.

**The CHAIR:** Yes. The reports that I am reading say there is lower passenger satisfaction and there are less on-time journeys to communities that have had privatisation of their bus services.

**Mr ANDREW CONSTANCE:** I do not know what you are referring to. What are you referring to?

**The CHAIR:** I am referring to the reporter's statistics in the *Newcastle Herald*.

**Mr ANDREW CONSTANCE:** Oh, well, again—

**The Hon. JOHN GRAHAM:** Your friends.

**The CHAIR:** Maybe we can pick up on that a little bit later.

**Mr ANDREW CONSTANCE:** My friends at the *Newcastle Herald* do not always get things right. We will go away and have a look at it. That is fine.

**The Hon. CATHERINE CUSACK:** I am shocked.

**The CHAIR:** We can touch on that again in this afternoon's session.

**Mr ANDREW CONSTANCE:** Sure.

**The CHAIR:** In the meantime a number of bus drivers in Newcastle have reportedly been repeatedly underpaid by the operator. I understand what you are saying about the limited ability of the Government in the management of those services, but is there anything in the contracts for privatisation of those Newcastle services that required them to pay their bus drivers fairly?

**Mr ANDREW CONSTANCE:** From time to time you will see the back-end functions of transport operations not get things right with the employees. I know there was an issue with Keolis Downer in this regard but I am pretty sure they resolved that. If this is a new issue, then I am happy to have a look.

**The CHAIR:** Is there anything in the contracts that you sign when you are doing these transactions that requires a minimum level of pay and conditions for—

**Mr ANDREW CONSTANCE:** It is part of the industrial requirements associated with the law.

**The CHAIR:** When they are found not to have performed according to the law is there anything in the contract to—

**Mr ANDREW CONSTANCE:** Typically in that instance matters are brought before the appropriate commission—be it Fair Work or the Industrial Relations Commission. In terms of that workforce it would be the Fair Work commission. Again, I am not aware of anything that is happening at this time to that style of arbitration being brought forward. I am unaware.

**The Hon. JOHN GRAHAM:** While we are on the subject of privatisation. You have been reasonably outspoken on your views about the role of the private sector in transport. I think it is always to your credit that you say what you think. Do you agree with these comments the Premier made in the election debate. She was asked by David Speers, "Will you sell any further assets?" and she said, "We have said no".

**The Hon. CATHERINE CUSACK:** Awesome debate.

**Mr ANDREW CONSTANCE:** Thank you for reminding me what Michael Daley did on education in that debate.

**The CHAIR:** Order!

**Mr ANDREW CONSTANCE:** That was a pivotal moment in the election campaign, if I recall.

**The Hon. JOHN GRAHAM:** She also said, "If we were, we would have told you up front, which is what we did last time". Do you agree with those comments?

**Mr ANDREW CONSTANCE:** Yes.

**The Hon. DANIEL MOOKHEY:** Minister, region seven's contract is up for renewal at the end of this year. Is that correct?

**Mr ANDREW CONSTANCE:** Region seven?

**The Hon. DANIEL MOOKHEY:** Yes.

**Mr ANDREW CONSTANCE:** Are you talking buses?

**The Hon. DANIEL MOOKHEY:** Yes.

**Mr ANDREW CONSTANCE:** Yes.

**The Hon. DANIEL MOOKHEY:** When are you commencing the tender?

**Mr ANDREW CONSTANCE:** I just answered that question.

**The Hon. DANIEL MOOKHEY:** Good. So when are you commencing the tender? That question was not put to you.

**Mr ANDREW CONSTANCE:** I said I have not announced anything in relation to regions seven, eight or nine.

**The Hon. DANIEL MOOKHEY:** But the contract for region seven requires renewal in some form.

**Mr ANDREW CONSTANCE:** Hang on a sec. You are asking me about some sort of quasi contract between an agency within transport and the Transport department?

**The Hon. DANIEL MOOKHEY:** Is State Transit going to be allowed to participate in the tender?

**Mr ANDREW CONSTANCE:** I have not announced anything in relation to this. Until I do, come and ask me at that point.

**The Hon. DANIEL MOOKHEY:** Minister, I am not asking you what you have announced. I am asking you have you received advice—

**Mr ANDREW CONSTANCE:** You will have to wait 12 months until I am back here next year; I will respond to it.

**The Hon. DANIEL MOOKHEY:** —or have you instructed State Transit? Have you made any decision and communicated to State Transit that they are not going to be allowed to participate in the tender, which is the process you followed for region six? It is just a straightforward question, no need to get too excited.

**Mr ANDREW CONSTANCE:** I am not going to speculate on this issue because I have not made any announcement.

**The Hon. DANIEL MOOKHEY:** You are one of the shareholding Ministers for Roads Retained Interest Pty Ltd [RRIPL], is that correct?

**Mr ANDREW CONSTANCE:** As the portfolio Minister I think you will find that role belongs to the Treasurer and the finance Minister.

**The Hon. DANIEL MOOKHEY:** Your predecessor, Stuart Ayres, was.

**Mr ANDREW CONSTANCE:** There was a separate WestConnex Minister at that time. The roads Minister at the time, Melinda Pavey, was not.

**The Hon. DANIEL MOOKHEY:** Not much stands on it. Have you received advice or sought advice as to what price could be obtained—

**Mr ANDREW CONSTANCE:** Have I sought advice?

**The Hon. DANIEL MOOKHEY:** —or received advice about what price could be obtained if the State's residual interest in the WestConnex was to be sold?

**Mr ANDREW CONSTANCE:** To help you out, those matters belong to the shareholder Minister and the Treasurer. I am neither of those.

**The Hon. DANIEL MOOKHEY:** Are you sure you are not the shareholding Minister?

**Mr ANDREW CONSTANCE:** I have just indicated to you I do not have shareholding responsibilities in relation to Sydney Motorway Corporation.

**The Hon. JOHN GRAHAM:** I just want to return to region seven. I do want to speculate because it is being speculated on. Will this be privatised in October this year?

**Mr ANDREW CONSTANCE:** As I indicated to you, I have made it clear, I have not made any announcement in relation to this. Again, I have been pretty honest about this. I have disclosed the fact that I am having a look at it.

**The Hon. JOHN GRAHAM:** Let me ask you this then, Minister, in relation to on-time running, also discussed, that was the key reason you advocated publicly in 2017 for privatising region six bus routes. In the 12 months since going to a private operator, region six bus routes have never met their on-time running target. How is that looking now?

**Mr ANDREW CONSTANCE:** You are talking about one of the most congested parts of the city. We have seen a 20 per cent increase in the number of people in that region. There is no doubt in terms of on-time running, I recall the STA having on-time running at around 83 per cent in months prior to doing this franchise.

**The Hon. DANIEL MOOKHEY:** Have you imposed any penalties?

**Mr ANDREW CONSTANCE:** Just let me finish.

**The Hon. WES FANG:** Point of order—

**Mr ANDREW CONSTANCE:** It is really important because you guys are going to go out there and run your silly little anti-community campaigns, and tell everyone that the sky is going to fall in when we go and franchise. Guess what? We have had some pretty successful franchises in our time in government, including ferries, buses, Newcastle and region six.

**The Hon. JOHN GRAHAM:** I am just giving you a chance to correct the record: Have they ever run on time? That is what we have been told. Have they ever run on time?

**The Hon. CATHERINE CUSACK:** He cannot do that if you talk over the top of him

**Mr ANDREW CONSTANCE:** If you are going to say these things—by whom? You just said that you had been told by someone—

**The Hon. JOHN GRAHAM:** In the 12 months—

**Mr ANDREW CONSTANCE:** No, I am entitled to ask you. Who has told you?

**The Hon. JOHN GRAHAM:** This is estimates. You are not in the Legislative Assembly now. You are not in the bear pit.

**Mr ANDREW CONSTANCE:** There you go, you have been caught out. You have been saying that you have been told something and you cannot tell me who told you.

**The Hon. JOHN GRAHAM:** In the 12 months, have they ever met the on-time running targets?

**Mr ANDREW CONSTANCE:** I am happy to take all those questions on notice.

**The Hon. JOHN GRAHAM:** Thank you, Minister.

**Mr ANDREW CONSTANCE:** I just make the point: Who told you?

**The Hon. PETER PRIMROSE:** Can I raise the issues that were raised by Ms Cate Faehrmann?

**The Hon. CATHERINE CUSACK:** Because Labor has run out of ideas.

**The Hon. PETER PRIMROSE:** Can you tell me when you first became aware of safety concerns regarding cyclists crossing the light rail tracks in Newcastle?

**Mr ANDREW CONSTANCE:** It does not take particularly much to work out that the laying of rail on a roadway poses a challenge for cycling. There is no doubt that we will have to increasingly educate cyclists about the dangers of putting bicycle tyres into a rail, because you can obviously get jammed and fall off. As the secretary alluded to, there are jurisdictions around the world looking at the type of gap-filling technology that can go into the rail itself to try to stop that. I am not convinced yet that a jurisdiction in the world has come up with the best solution for that technology. To Mr Staples' point, we do not know the outcome in Newcastle because the Coroner has not yet made any recommendations. We do not want to pre-empt that.

**The Hon. PETER PRIMROSE:** Okay, thank you.

**Mr ANDREW CONSTANCE:** No, this is important. That said, we really need to urge cyclists around the State—whether it is the inner west, the CBD or Newcastle—to be aware of the dangers.

**The Hon. PETER PRIMROSE:** I appreciate that, Minister. On 9 April this year Bastian Wallace from Bicycle NSW wrote to Transport for NSW informing it about the safe rails technology, and you have alluded to that. Given that there were many concerns from bicyclists in Newcastle about the fact that they could not safely cross the light rail, can I ask you or your officers—and this was three months before that person died—what their response was to the concern raised by Bicycle NSW?

**Mr ANDREW CONSTANCE:** First point: I am happy to take that on notice and come back to you. Secondly, I want you to understand how seriously we are taking this issue and, thirdly, until we have the Coroner's recommendations in relation to that fatality, we just do not know. We need to have a look at everything in that regard. That is my expectation. There is no doubt, as you allude to, that when Bicycle NSW comes forward with concerns, I expect the agency to look at it. We had a group of really important stakeholders and they are without doubt—

**The Hon. PETER PRIMROSE:** Here is a question for you and your officers: Given you have indicated that you do not have to be a genius to recognise this would be a problem for cyclists, why on earth did you and your department not consider it when this was under construction?

**Mr ANDREW CONSTANCE:** I am not so sure that the premise of your question is right. I am happy to take it on notice—

**The Hon. PETER PRIMROSE:** I will make it positive. What did you do to ensure that there would be no deaths as a consequence of bicyclists not being able to cross at 90 degrees on those tracks?

**Mr ANDREW CONSTANCE:** I will take your question on notice in relation to the design of the Newcastle Light Rail, specifically in relation to cyclists. This is getting a little bit ridiculous. The point out of it—

**The Hon. PETER PRIMROSE:** Minister, I am not trying to be ridiculous. I am saying that you are the one who has pointed out that anyone could see this is a problem. I am asking you, given there has been deaths on those tracks, what did you do before those deaths?

**Mr ANDREW CONSTANCE:** Hang on a second, just let me help you out.

**The Hon. PETER PRIMROSE:** Help me out. Help out the cyclists.

**Mr ANDREW CONSTANCE:** Go up to Newcastle—

**The Hon. PETER PRIMROSE:** I have been up to Newcastle many times and your agency has been contacted by Bicycle NSW.

**The Hon. WES FANG:** Point of order—

**The Hon. PETER PRIMROSE:** Why didn't you take appropriate action when you were constructing it?

**The Hon. SHAYNE MALLARD:** A point of order has been called.

**The Hon. WES FANG:** My point of order has been resolved. It was to get the question out and let the Minister answer it.

**The Hon. PETER PRIMROSE:** I would like an answer.

**Mr ANDREW CONSTANCE:** Can I just say this: First of all, if you went up to Newcastle you would actually observe that the rail lines are on the road so any cyclists riding down Hunter Street, or any number of those streets, would actually have that risk—reality. Fact: You would have been able to observe it for yourself. Let us have a bit of self acknowledgement that if you ride a pushbike down Hunter Street you could potentially also ride into the rail. I am going to hand over to the secretary, who might enlighten you a little bit.

**The Hon. DANIEL MOOKHEY:** So it is the cyclist's fault? Is that the implication of your answer, that it is the cyclist's fault that has created this? You have just made an astounding claim—

**Mr ANDREW CONSTANCE:** You are playing games.

**The Hon. DANIEL MOOKHEY:** No, you have just made an astounding claim.

**The Hon. PETER PRIMROSE:** It is your statement, Minister.

**The Hon. DANIEL MOOKHEY:** You have effectively said that it is the responsibility of the cyclist, independent of all other factors, and that they should have common sense. Are you suggesting that this death was created at the fault of the cyclist? Because that is the implication of how you are coming across. You might wish to take the opportunity to correct the record, for your own sake, amongst others.

**Mr ANDREW CONSTANCE:** Over many years I have sat in estimates listening to your silly questions and statements, and that is up there, mate.

**The Hon. DANIEL MOOKHEY:** No, this is a serious—

**Mr ANDREW CONSTANCE:** You are being a fool.

**The Hon. PETER PRIMROSE:** Minister, does this apply—

**Mr ANDREW CONSTANCE:** Just let me help the committee out.

**The Hon. PETER PRIMROSE:** Help us out.

**Mr ANDREW CONSTANCE:** I said that cyclists need to be careful in and around light rail, which is embedded into the roadway because, guess what? Cyclists ride on the road. Again, you have made all sorts of claims. I am asking the secretary to respond to Mr Primrose. I do not need this sort of sideshow from this lunatic. I just want this to be answered properly, because it is a serious question.

**The Hon. DANIEL MOOKHEY:** The ability for you to comport yourself with some element of dignity whilst you are talking about serious matters such as the death of a cyclist would be to your credit. The question was put to you: Are you suggesting that it is the fault of the cyclist?

**The Hon. PETER PRIMROSE:** I think the record will show that.

**Mr STAPLES:** In terms of Mr Primrose's question, like all projects we do, there is a substantial focus around safety in design. Newcastle Light Rail is no different in that regard. We have accredited designers, we go through reviews all the time during the design process—the preliminary design, the detailed design. A road environment is what we call an open system and there are a number of variables around, that so we work very hard to design the infrastructure to be as safe as possible. The other variables are the users of the system and other factors around that. As I indicated earlier, this event is an absolute tragedy. We await the Coroner's process and any outcomes around that. We have also taken stock and said, despite the design work we did as part of the construction, of course, when an incident like this occurs, we step back again and have a fresh look. We are having a look at that particular location and conducting a safety review to see what further improvements—

**The Hon. PETER PRIMROSE:** May I ask, would you give that same assurance that you have learnt all those lessons and this will not be replicated in Sydney?

**Mr STAPLES:** Absolutely. For every project where we learn lessons out of design, we endeavour to transfer those lessons across. Bear in mind that light rail, as a technology, is not new—it is heavily used in other jurisdictions, such as Melbourne and the Gold Coast, and recently opened in Canberra.

**The Hon. PETER PRIMROSE:** So you would expect that there would not be an incident like this in Sydney because you have taken appropriate precautions?

**Mr ANDREW CONSTANCE:** That is ridiculous. You are being ridiculous. Go and walk down George Street and actually have a look at the cyclists riding down there now. I make the point that it is easy to trap a cycle wheel into the very nature of the rail. We are going to go out and continue to educate the community. What I said before—

**The Hon. PETER PRIMROSE:** Educate the community?

**Mr ANDREW CONSTANCE:** No, hang on a second, champ—

**The Hon. PETER PRIMROSE:** It is their fault?

**Mr ANDREW CONSTANCE:** I am going to finish this answer properly, without your rudeness. The point out of this is that we have a tragedy in Newcastle and we are awaiting the recommendations of the Coroner. You have cited a particular part of the project where you think that there is a reference design fault. What we are saying, and let me be crystal clear: Road users have to be mindful of the dangers if there is light rail running down a roadway because cyclists also use that roadway. That is my point. There is nothing silly about that; that is a logical conclusion. What Mr Staples has said is that to the best of our ability, when we do the reference design around any infrastructure, community safety is first and foremost. Ultimately, this must be a problem elsewhere around the world because there are other jurisdictions looking at this type of technology in terms of gap fillers—

**The Hon. JOHN GRAHAM:** Minister, thank you for that answer. I am going to ask you—

**Mr ANDREW CONSTANCE:** No, you need to listen too, champ. What we are trying to—

**The Hon. PETER PRIMROSE:** Well, brother, can we just ask you a question before our time runs out?

**Mr ANDREW CONSTANCE:** —find the best way to deal with it.

**The Hon. CATHERINE CUSACK:** Chair, can you control them, please?

**The CHAIR:** Order!

**The Hon. JOHN GRAHAM:** I note that you—

**Mr ANDREW CONSTANCE:** It is just ridiculous. You are being silly.

**The Hon. CATHERINE CUSACK:** Can you control them, please?

**The CHAIR:** Ms Cusack, stop interjecting. Can we call an end to that and go to this question.

**The Hon. JOHN GRAHAM:** Minister, I invite you to put anything else about that on notice, because I accept you have a strong view on that—

**Mr ANDREW CONSTANCE:** Because it is serious, guys. It is not a political game, we are trying to make people safe.

**The Hon. JOHN GRAHAM:** I want to ask you about the Newcastle port. When asked about prospects of a container port in Newcastle, the Deputy Premier said, "Absolutely". Do you agree with the Deputy Premier's view about lifting the provisions of the Newcastle port?

**Mr ANDREW CONSTANCE:** The container strategy in New South Wales is very much geared towards Botany and Kembla, that is a fact. There is a 30,000 container limit in terms of Newcastle. There is the ability for containers to go out of Newcastle. It is the world's largest coal export port.

**The Hon. JOHN GRAHAM:** Do you agree with the Deputy Premier?

**Mr ANDREW CONSTANCE:** That is the current arrangement in terms of containers. I am aware of The Nationals' policy position and the position of the Deputy Premier in this regard. A lot of that, I might add—God love The Nats—is centred around grain exports and everything else. A key element out of this—

**The Hon. JOHN GRAHAM:** I am just asking: Do you agree with it? This is your chance to make it clear.

**Mr ANDREW CONSTANCE:** I agree with the current government policy in relation to containers.

**The Hon. JOHN GRAHAM:** Thank you. Minister, you told last year's estimates that the environmental impact statement [EIS] for the Western Harbour Tunnel and Beaches Link would be complete by the first quarter of this year.

**Mr ANDREW CONSTANCE:** I think you have run out of time.

**The Hon. JOHN GRAHAM:** When is it to be issued?

**The Hon. PETER PRIMROSE:** It is up to the Chair, not you.

**The CHAIR:** The question has been asked and you have the opportunity to answer.

**The Hon. JOHN GRAHAM:** When will the EIS be issued?

**Mr ANDREW CONSTANCE:** For what?

**The Hon. JOHN GRAHAM:** For the Western Harbour Tunnel and Beaches Link.

**Mr ANDREW CONSTANCE:** When we are ready to issue it.

**The Hon. JOHN GRAHAM:** Last year you said by the first quarter of this year. When will you be ready?

**Mr ANDREW CONSTANCE:** When we are ready.

**The Hon. JOHN GRAHAM:** Is there no time line there? Late, and now no time line.

**Mr ANDREW CONSTANCE:** Thank you for your interest in this project. We will issue the EIS when we are ready.

**The Hon. PETER PRIMROSE:** You got under his skin.

**Mr ANDREW CONSTANCE:** You got under my skin because you are playing games in Newcastle.

**The Hon. PETER PRIMROSE:** He was asking a question.

**Mr ANDREW CONSTANCE:** No, you were being silly.

**The Hon. PETER PRIMROSE:** Now it is a silly issue about debts and your projects.

**Mr ANDREW CONSTANCE:** It is not a silly issue. You are the silly one.

**The Hon. MARK BANASIAK:** Mr Collins, Mr Primrose asked a question about asbestos—it seems so long ago. In the last 12 months, how many instances of asbestos discovery and removal have occurred in your operations?

**Mr COLLINS:** I would have to take that on notice. Obviously we have a huge infrastructure with a lot of activities going on. Certainly we will be able to provide whatever information is available.

**The Hon. MARK BANASIAK:** While you are taking that on notice, can you also include whether there was any instance where it was not handled properly according to your set policies?

**Mr COLLINS:** We will report the information that you have asked on notice.

**The Hon. MARK BANASIAK:** Minister, when you answered a question about region six and the running times, you mentioned as a mitigating factor that it is the most congested part of the city. Can you tell us what short- and long-term actionable strategies this Government is putting in place to alleviate that congestion so buses can run on time?

**Mr ANDREW CONSTANCE:** It is fair to say that we are investing very extensively in the road network throughout that region. Only a couple of weeks back the Premier and I opened the M4 East Tunnel, removing 10,000 trucks from Parramatta Road and easing the traffic congestion in region six. Part of the challenge for this Government has been the fact that we have seen previous governments not protect corridors in and around the city so that we can build the infrastructure to meet the growth needs. Ultimately, we will see with the advent of the M4 and M5 linked tunnels an even better and more workable road network. The patronage data on Parramatta Road has changed dramatically as a result of the tunnel being opened. We will continue to invest like we are.

**The Hon. MARK BANASIAK:** When do you expect to see an actual reduction of that congestion?

**Mr ANDREW CONSTANCE:** We have already started. The M4 East Tunnel is an example of that.

**The CHAIR:** Turning now to the ferries, single ferry trips between zero and nine kilometres cost an adult Opal card user between \$6.12 and \$7.60 for a one-way trip. Does the Government have any plans to decrease the Opal costs in order to increase the patronage?

**Mr ANDREW CONSTANCE:** One of the things that we do as a transport network is to try to keep fares affordable. That is why roughly about 75 per cent of every trip taken is subsidised by the taxpayer. In terms of ferries, patronage growth would suggest that people are opting to use ferries because, firstly, it is a great way to get to work and, secondly, it is affordable and cheaper than running a motorcar around the roads network to get from point A to point B.

**The CHAIR:** Following the closure of the West Balmain ferry in 2013 and the increase since then of developments in and around Elliott Street, is there any plan to reinstate the West Balmain ferry wharf?

**Mr ANDREW CONSTANCE:** I am not aware of any plan in this regard at this stage.

**The CHAIR:** Has that been looked at? Do you know?

**Mr ANDREW CONSTANCE:** I am sure it has, but I can take that on notice.

**The CHAIR:** It would be lovely if you could. I have a couple of questions in relation to accessibility of our transport system. Given that the *Disability Standards for Accessible Public Transport Guidelines 2004* require all buses and ferries to be fully accessible by 2022, what is the Government doing to ensure that it adheres to those deadlines for all accessibility?

**Mr ANDREW CONSTANCE:** I am going to be honest with you and say that every Australian jurisdiction is struggling to meet those targets. We are without doubt investing very heavily in terms of transport access. We have an \$890 million four-year program design to break down that barrier for people with disability. In particular it is a scenario that, having been disability services Minister, I am only too aware of the human rights issues associated with the barriers to getting onto the transport network. There is no doubt that with 470 projects either completed or underway, we are now on the right path to start to meet those targets. The question is the time frame, realistically. Ultimately, we want to be able to, through the third tranche of the transport access program, the bus procurement that is underway, working with local government in terms of the design of bus stops and the like, to get to a very good and solid landing into the future.

**The CHAIR:** As you say, New South Wales is not the only jurisdiction to be struggling to meet that deadline. Why do you think that is? Why do you think that in 2004 we thought we could do that?

**Mr ANDREW CONSTANCE:** I think there are a couple of things. There is no doubt—we have seen it particularly with railway stations—that we have now provided over 50 stations in the last eight years with access. In fact, when we came to government, the City Circle did not even have fully accessible railway stations. That is hard to believe. Basically now in terms of trains, we have about 90 per cent of the network covered in terms of access. There are still another about 130 stations across the Sydney trains and the intercity network that still need to have that access provided. We are making great inroads and major investments. It has been against,

particularly in Sydney with the enormous growth in patronage, trying to make sure you manage all your resources well. The programs that are in place are the right programs. We particularly went to the election with another set of transport access programs to be delivered across railway stations. We have inherited a very significant legacy issue, which has taken a long time to start to turn around.

**The CHAIR:** For trains and trams there is an extra 10 years under the guidelines, and I presume that light rail and metro fall within that trams and trains deadline. Is there a plan in place? Does the department have a schedule of all of the ferry services, the bus services, the train services and when each of those services will be fully accessible?

**Mr ANDREW CONSTANCE:** We have an ongoing program in terms of transport access, for which we have a set budget from Treasury each year. We continue to deliver on that. I know that this issue is under the microscope in terms of the Auditor-General. No doubt we will work through those processes.

**The CHAIR:** Under that plan, is there a date, if it is not 2022, that you expect all ferries and buses to be fully accessible?

**Mr ANDREW CONSTANCE:** I am not aware of the drop-dead date in terms of what you were saying, but I think the main thing is that my expectation is seeing this done as quickly as possible. It will not be next week, but in terms of the inroads that we have made so far, we are headed absolutely in the right direction in this regard. But I am not going to sit here and say to you that by 2021 every element of the network will be accessible. It will not be. On the opening of the Sydney Metro Northwest, one of the greatest moments for me was seeing 20 people with disability from Northcott experience a train ride for the first time. It was very special that people could seamlessly roll their wheelchairs onto the train because the gap between the platform and the train was so small. That is a far cry from some of the situations we have seen previously. We will continue at it. We see it as one of our most important priorities.

**The CHAIR:** I agree with you that the Sydney Metro Northwest has been a success in terms of the physical accessibility aspects. However, the physical disability advocacy organisations, in particular, have been criticising the Government for failing to actually have a plan to meet the 2022 guidelines. It is disappointing that there is no set date. I understand that you are saying it is not possible before 2022 and other jurisdictions are in the same boat, but has the work being done to show exactly how much it would cost and when the network will be accessible?

**Mr ANDREW CONSTANCE:** The purpose of the Transport Access Program is to keep rolling right through. Eventually, yes, one day we will get there. We do have a disability inclusion plan, which is a 10-year plan to be able to continue to meet the infrastructure requirements in this regard. We take advice on access issues on an ongoing basis from disability organisations. I am particularly sensitive to and conscious of the Physical Disability Council of NSW in this regard. Have we gone and costed every single project across the board that is required to have a deadset completion date? I do not think that work has been finalised. That said, if you look at the program that has been undertaken to date, we have made great inroads and we will continue to work through it.

**The CHAIR:** Is it a question of cost? When I say "cost", is it a case of not wanting to expend a certain figure from the budget on those accessibility upgrades? Or is it a question of disruption to the network as those upgrades get done?

**Mr ANDREW CONSTANCE:** Again, in terms of the Transport Access Program, when a station is upgraded there will often be a series of possessions throughout the course of delivery of the project. We have turbocharged this program with \$2 billion that the sector has never seen before. The last Labor Government was delivering two upgrades a year. We have delivered over 50 already inside eight years. We are going to keep the focus there. It is something that local members are certainly very much in tune with. As I said, 174 out of 305 stations on the Sydney Trains and Intercity network now have wheelchair accessibility.

**The CHAIR:** Is that every platform?

**Mr ANDREW CONSTANCE:** That is largely smaller stations that we still have to do. Redfern Station, for instance, is a classic example. It is in the heart of the city, but it still has not got lift access to every platform. We are now getting on with it.

**The CHAIR:** Exactly. When you are considering the accessibility of the transport network, do you also consider accessibility for people with an intellectual disability?

**Mr ANDREW CONSTANCE:** Yes, absolutely. You have to provide access to the network for all people with disability, whether it is intellectual or physical.

**The CHAIR:** Does the plan for the Sydney Metro provide for staff to be ongoing on that metro network?

**Mr ANDREW CONSTANCE:** Yes. We have customer service staff. They will remain in place on the Sydney Metro.

**The CHAIR:** Will they be on the trains or will they just be on the platforms?

**Mr ANDREW CONSTANCE:** It will be a combination. We have had staff on trains at the same time. These are fully automated trains, but we are also using technology to provide even greater security and safety to all. I can assure you it is a highly automated, closely monitored train. There are eyes everywhere. When problems arise staff move to those problems incredibly quickly. Whether it is a person with disability, a parent with a child, or a senior, we have a very good network. That is why customer satisfaction with the metro is so high—not only do we have the benefits of a fully automatic train, but also we have staff on hand.

**The CHAIR:** Will there be a member of staff on a Sydney Metro train of whom you could ask questions? For example, "Where does this train go?" or "How do I go to the next—?".

**Mr ANDREW CONSTANCE:** That is why customer service staff are there.

**The CHAIR:** On the trains or on the platforms?

**Mr ANDREW CONSTANCE:** It is a combination. They have been. Again, the ongoing work of the operator in this regard is to respond to customers.

**Mr STAPLES:** I think there are some differences. You are drawing comparisons with our current services. We have a substantial amount of staff on the metro system. We have a member of staff at every station who is always available to customers. On the Sydney Trains network we have more staff on the trains but less staff at stations, depending on the location. If you think about trains moving between stations and the ability for customers to interact with staff on our existing Sydney Trains system, there are limitations on that as well. That is generally done at station locations.

In terms of the approach taken by the operator—and I know that Jon Lamonte will be able to talk further about this—there is a really clear customer service model where we have really good coverage of customer service staff across the network and available to our customers. There is also substantial new technology that we have been able to bring in with this system in terms of customer help points—press a button, have a conversation with someone in the room, CCTV for the full length of the train carriage. I do not know whether you have had an opportunity to go on the train but you can see, from end to end, the ability to be able to move around and communicate through the technology is very strong. In terms of your questions around disability, we substantially involved the disability group in the development and design of the train. We have had very good feedback on the service from their experiences on the system.

**The CHAIR:** I have a final question because time is short and we can pick up on that aspect later. You say that there is a certain number of staff at the moment on the metro platforms. Is that same staffing level to continue, say, six months, a year in the future?

**Mr STAPLES:** Certainly on the stations, yes.

**The CHAIR:** Thank you, Minister and Ms Petinos, for attending this hearing. We have finished with your questioning. The committee will now break for lunch and will return at 2.00 p.m. for further questioning of Government officers. Thank you very much.

**(The Minister withdrew.)**

**(Eleni Petinos withdrew.)**

**(Luncheon adjournment)**

**The CHAIR:** Welcome back. Thank you very much for your attendance, this time without the Minister. This session will go for three hours, from 2.00 p.m. to 5.00 p.m. This time we will have questions from Government members in addition to the crossbench and Opposition members. We will rotate Opposition, crossbench and then Government questions. At 2.30 p.m. tea and coffee will be brought in and you are more than welcome to grab yourself a cup of tea or coffee and a snack, whatever happens to be there. Let us start with questions from the Opposition.

**The Hon. JOHN GRAHAM:** I want to ask about last Friday's failures in the transport system. It was described as a meltdown. Firstly, I want to go to the question about what was the cause of last Friday's transport issues, and I am happy for whoever wants to answer, Mr Staples or Mr Collins.

**Mr STAPLES:** If you do not mind—I know people are going to be sensitive about time—it is probably worth spending a couple of minutes explaining, because we have slightly different organisational arrangements in place.

**The Hon. JOHN GRAHAM:** Yes.

**Mr STAPLES:** I would like to give you a bit of a picture of that in terms of who is sitting at the table today and how they relate to each other, just to help the committee in terms of where they might wish to refer questions and so forth, and I will help as we go along. We are in a transition phase at the moment in terms of organisation, which you would be aware of, in terms of bringing Transport for NSW and Roads and Maritime Services together. We have the Acting Chief Executive of RMS here, and she and I are working very closely together on that transition process.

Importantly for the majority of people here, the Deputy Secretary for Greater Sydney, Elizabeth Mildwater, has overall responsibility of reporting to me for all transport matters within the Greater Sydney area, and sitting within that cohort are a number of chief executives—Howard Collins, Jon Lamonte and Steffen Faurby—who have agencies that relate to that. We also have John Hardwick, who is largely responsible for Roads within that division as well. So in terms of general transport within the Sydney area, Ms Mildwater is the person, and then we can look at specific things in relation to that.

**The Hon. JOHN GRAHAM:** We are happy if you direct us as appropriate to who is in a position to answer, but we are open to direction on that over the course of the evidence.

**The Hon. DANIEL MOOKHEY:** Quite appreciative too.

**Mr STAPLES:** Obviously, in terms of the incident on Friday, we regard that as a disappointing outcome for our customers, no doubt at all. Can I apologise, on the record, for the experience that a number of our customers had. It is certainly not the sort of service we want to run. On the day there was a lot of effort put in by the workforce and staff to try to recover from the initial incident, and I certainly credit those people for trying to do that, notwithstanding the customer experience.

**The Hon. JOHN GRAHAM:** Thank you for those comments. Some of those have been made publicly as well.

**Mr STAPLES:** Yes.

**The Hon. JOHN GRAHAM:** What was the cause? I think that is the thing that we are keen to know. There has been some public speculation about it, but we are here at estimates. What caused this problem?

**Mr STAPLES:** I might hand directly to Mr Collins to give you some of the discussion around that, but in terms of the general Transport response it would be worthwhile hearing from Ms Mildwater at some stage as well.

**The Hon. JOHN GRAHAM:** Thank you.

**Mr COLLINS:** As I said last Friday in the media, apologies to everybody who got caught up in that, and thank you for everyone's patience. At around about 5.22 last Friday morning, the driver noticed that the hatch, the front fibreglass hatch, was partially up. The safety catches that hold it in place were actually in place, but he noticed that there was something unusual about it. Safety is our number one priority, so the driver called in to the new Rail Operations Centre [ROC] and said, "I think I've got a problem. I'm a bit worried about this hatch touching the overhead 1500 volt DC wire."

**The Hon. JOHN GRAHAM:** When did that call occur?

**Mr COLLINS:** It was around about 5.22. He called that through. Obviously the most important thing was to ensure that everyone was kept safe. We got, as quickly as we could, the engineers involved who could give some report—in fact my Executive Director of Engineering who was on the way to work managed to get there before the peak and make an assessment and everyone involved saw there were weakness marks on the hatch—

**The Hon. JOHN GRAHAM:** That is to the site or to the control room?

**Mr COLLINS:** To the site. We have our own team, our incident management framework team, who work out of the ROC. We had already called it, we were already making—if you can imagine, there are over

350 trains entering the network during the morning peak and they were all ready to roll and were heading towards Sydney, along with probably about 250,000 customers at that time.

**The Hon. JOHN GRAHAM:** When did the executive director get there?

**Mr COLLINS:** I do not know the actual time, but he was there fairly early because I was in communication with him straightaway.

**The Hon. JOHN GRAHAM:** Perhaps on notice.

**Mr COLLINS:** Again, we are carrying out a full investigation. I have some preliminary reports that tell me that obviously—whilst there were weakness marks, we are doing investigations as to the strength of the hatch itself. It is not a device that we regularly service and when we get the findings of that investigation—in fact I had an update from my team this morning—obviously we will share that and make sure people understand. We have done a preliminary check of all the other hatches, just to make sure this is not a fault that is prevalent in any other areas. We had some quite bad weather the night before. We are still doing more forensic investigation to understand whether it was a combination of something hitting the front of this train—there was certainly evidence of some weakness in that hinge. It is a glass reinforced manufactured hatch with a stainless steel hinge. The struts actually held the hatch from going up any further. These trains were made in the late 1980s, I think, in Cardiff at the Goninan factory, the Tangaras, so we have checked and we are comfortable that all other hatches are in good order or have been looked at.

**The Hon. JOHN GRAHAM:** That is the result of the preliminary check?

**Mr COLLINS:** Yes.

**The Hon. JOHN GRAHAM:** All other hatches are in order?

**Mr COLLINS:** Yes. I think, you know, root cause analysis, the first preliminary issues really are about us dealing with the discharge of the traction current to get to the hatch safely, and obviously we are reviewing that process, and we are reviewing and working through what improvements we can make to ensure that a more timely approach to removing traction supply and restoring it is being considered.

**The Hon. JOHN GRAHAM:** These hatches have been an issue in the past.

**Mr COLLINS:** Yes, people will probably remember—it was before my time, but in Vince Graham's time—there was a pre-catastrophic issue with a train that lost its hatch over the Harbour Bridge and took down the overhead wires, and I think for several hours that was stuck on the Harbour Bridge. As a result of that, special catches were put on and actually a tag, a yellow tag, and that is checked.

**The Hon. JOHN GRAHAM:** So these are much more tightly secured than they were before that incident?

**Mr COLLINS:** That train left Mortdale depot—

**The Hon. JOHN GRAHAM:** Why are we not regularly servicing them then?

**Mr COLLINS:** Because they do not need to be. The hatches themselves do not need to be inspected, but we are reviewing the design of this train and just making sure that, like all things, we eliminate further opportunities for things to go wrong.

**The Hon. JOHN GRAHAM:** I want to come to the second question, which is really the time for the system to recover. You said that this occurred at 5.22 a.m. The public was still experiencing very significant transport delays late in the day. Talk us through that time line, firstly, and tell us why the system took so long to recover.

**Mr COLLINS:** I will talk through the general time line. It did take several hours to move that train. This was in one of the most congested parts of our network. It is a bit like probably a motorway, a very central area, therefore a lot of trains were due to pass there that couldn't, so it did cause a number of consequential delays. Our network is infinitely connected with each other line, apart from the T4 line, and I would commend the staff who worked very hard giving out information, making sure that our new Rail Operations Centre—and this was the first time we tested out—

**The Hon. JOHN GRAHAM:** What time was that train moved?

**Mr COLLINS:** It was eight something. I could take on notice the information; I have not got the detail.

**The Hon. JOHN GRAHAM:** I would be happy with that, if you could give us a rough idea and the details on notice.

**Mr COLLINS:** It was three hours or thereabouts in terms of moving the train.

**The Hon. JOHN GRAHAM:** But there were still disruptions as late as that evening, were there not?

**Mr COLLINS:** On rail systems like this one, if you have a significant and seismic disruption of the network where trains have been delayed three hours, it does take a significant time to recover—significant time to recover.

**The Hon. JOHN GRAHAM:** But all day is really—

**Mr COLLINS:** We always look to see whether we can eliminate that. The best thing you can do is safely move whatever the obstruction is out the way and then you free up what is a sort of thrombosis of the system. The other thing you have to do—

**The Hon. JOHN GRAHAM:** Mr Collins, in your view, when was the system operating normally? When were the public experiencing a normal—

**Mr COLLINS:** It took until late afternoon to get the services back to a pretty regular pattern. I was there all evening peak. I have just reviewed all the CCTV data from places like Central, platform 23. In fact, customers listened to us. I remember doing the media. We spoke to the radio channel saying, "If you can leave early, if you have got an important flight, please leave early."

**The Hon. JOHN GRAHAM:** But I am not asking about a pretty regular pattern, I am asking when were we back to normal service, from the public's point of view, on your time line?

**Mr COLLINS:** On railway timetables—which we write our railway timetable differently every day—of this structure where you have got over 3,500 peak train movements, what happens is you generally do not recover and go right back onto timetable for most of the day. What we did was we moved a number of trains from the area, which is important to avoid the congestion, and then we put in services for, in effect, a second-level timetable. What is important to understand is that if we do not get all the trains, specific trains in specific locations overnight, they do not get serviced. So, in fact, on the Saturday morning we started up absolutely on schedule.

**The Hon. JOHN GRAHAM:** How long did that second-level timetable stay in place? Was that all that day?

**Mr COLLINS:** Most of the afternoon and evening.

**The Hon. JOHN GRAHAM:** Until trains were where they needed to be the following morning?

**Mr COLLINS:** Yes.

**The Hon. JOHN GRAHAM:** You have been quite upfront. You have made comments in the past about the fact that this timetable makes it difficult for the system to recover, have you not?

**Mr COLLINS:** I have not said that actually.

**The Hon. JOHN GRAHAM:** I am asking you to clarify your views. You have been outspoken on the timetable and the—

**Mr COLLINS:** I am always upfront and honest about what I feel.

**The Hon. JOHN GRAHAM:** I am inviting you to repeat your views.

**Mr COLLINS:** What I am saying is the interconnected network that we have, what we call the lack of sectorisation, does make it difficult to isolate incidents when they occur on our railway. Having come, as you know, from the tube in London, where we had 10 separate lines, it is much easier—and a bit like Metro—when you have separate lines to ensure that you do not cross-contaminate when you get a big delay on another particular line.

**The Hon. JOHN GRAHAM:** I accept that. My question is: Is it harder to recover under this timetable than it would have been under a previous timetable?

**Mr COLLINS:** It is not about the timetable; it is about the method of operation of the service.

**The Hon. JOHN GRAHAM:** If I accept that point will you answer my question: Would it have been easier to recover under a previous timetable?

**Mr COLLINS:** I will answer your question. I think the issue here is a bit more fundamental than that. We have now record numbers of people travelling on our network—almost 1.4 million customers on our network, almost 37 per cent more than five years ago. We have added more trains into that service. Those timetables have been increased once, in October 2013, by some 16 per cent and then by almost 18 per cent in November 2017. It does mean—and I certainly have had the experience that it does mean—when you run more trains, a bit like when you have more traffic on the road, it is more difficult fundamentally to recover the service. But what we are doing about that, and I think it is important to explain, with the programs of more trains, more services, digital signalling is coming. We have built a rail operations centre, we have got more reliable trains than ever before with our new B sets, we have removed the unreliable but well-used S sets, and we are seeing an improvement in performance. No-one likes meltdowns like Friday—it is, for me, something we have to work through—but overall performance and reliability has improved.

**The Hon. JOHN GRAHAM:** Mr Collins, I am going to hand to my colleague but I want to ask you one more question on this topic. You were also quite clear on Friday that you did not regard this as a maintenance issue—that was one of the debates happening on the day. To me, looking at this from a distance, that does not seem to make sense on the face of it. Why do you say this is not a maintenance backlog issue?

**Mr COLLINS:** Until we do the full investigation, but if you are talking about backlog, which I think you just mentioned, the maintenance of these trains, there is no concern. The maintenance schedules, the programs, the activities, we have renewed the doors, we have got a Tangara technology upgrade program No. 2, we are spending a significant amount of money and it is not a maintenance backlog issue.

**The Hon. DANIEL MOOKHEY:** I will ask one question that arises from that line of questioning as well. Have you ascertained yet, the last time maintenance was performed on this particular train, on this particular hatch?

**Mr COLLINS:** I will take that on notice. I know that from our initial preliminary inquiries the train left Mortdale and I know of no reason why there was any question about the maintenance of this train. This hatch is actually only opened and inspected twice a year.

**The Hon. DANIEL MOOKHEY:** That is the regular service schedule that you described earlier?

**Mr COLLINS:** That is the schedule. There is no equipment in this hatch, it is just checked for—also the yellow tab which customers can see on the train, that was in place and secure.

**The Hon. DANIEL MOOKHEY:** Mr Secretary, I am in your hands as to who you think this should be directed towards. I do not know who precisely is responsible for the procurement of the New Intercity Fleet, which is what this question is aligned to. I rely on you to direct as you see fit as well. How are we going in terms of the procurement of the New Intercity Fleet?

**Mr STAPLES:** The Deputy Secretary, Infrastructure and Place is the lead executive responsible for major project delivery such as the New Intercity Fleet and he is not in attendance. Mr Pascall and Mr Thomas work within his division but they are obviously focused on the light rail projects at Parramatta. So I will lead off on conversation around the New Intercity Fleet in Mr Regan's absence. In terms of the New Intercity Fleet, we updated recently publicly that the first trains are expected to be in Sydney or on the network for some testing by the end of this year.

**The Hon. DANIEL MOOKHEY:** When do you think it will be operational for passengers to be able to use?

**Mr STAPLES:** Once the first train arrives—in fact, there are two trains planned to come at that time—there is a series of testing, commissioning and staff training protocols to go through in the new year. We are doing some detailed analysis on the sequencing of all that at the moment. Once the trains have arrived at the end of this year we will confirm a more detailed program for when we want to bring them into service next year.

**The Hon. DANIEL MOOKHEY:** And it is still the case that the Government's intention, or at least the intention of Transport for NSW is to make sure that there are guards on those—

**Mr STAPLES:** We have confirmed that in terms of the operating model, which we have been through a number of discussions with our staff and our drivers and our existing guards as well as the unions around this, we will have a driver on these trains as well as a second person on the train, a second staff member on this train.

**The Hon. DANIEL MOOKHEY:** Is that second staff person described as a guard or does it meet the definition of a guard in accordance with—

**Mr STAPLES:** Certainly the intention is, because every time you buy a new train and certainly a new fleet, which this will provide essentially the bulk of the services to the Central Coast, Newcastle, Blue Mountains and the South Coast down to Wollongong, every time you do that you look to bring in the newest technology with the acquisition of those fleets and that does mean that we will change the way we manage and run that train to make use of that new technology.

**The Hon. DANIEL MOOKHEY:** That is actually quite useful because the final question I want to ask in that respect is, in terms of the duties that will be performed by the second staff member, is it envisaged that the second staff member's duties will include, for example, opening and closing the doors of the train?

**Mr STAPLES:** You will be aware that that has been the subject of quite a bit of discussion with our staff, with the drivers and the guards as well as the unions, and that is ongoing at this stage. But certainly we do anticipate that there will be a different operating procedure, which we are still working through the detail of and we are going through a consultation phase at the moment.

**The Hon. DANIEL MOOKHEY:** Is it the case that in the design of the New Intercity Fleet the compartment in which the second staff member will work does not allow them to have a direct view of the people entering and exiting the train? And it is the case that they will be relying on CCTV?

**Mr STAPLES:** One of the fantastic features of this new train is a technology called interlocking. With our existing trains, because of the age, and these trains are in the order of 30-plus years old and these trains will provide services for the next 35 years, we are obviously making sure we bring the latest technology to the table because this needs to endure for a long period of time. We have interlocking on all the doors on the train and what that means is that the train cannot move, it just simply cannot move if any door on the train is not fully closed.

**The Hon. DANIEL MOOKHEY:** Got it.

**Mr STAPLES:** So if a customer somehow gets stuck in a door then that train cannot move from the platform because the technology provides for that train to basically stay fully stopped. In terms of the procedure that you are alluding to, yes, also the door the guard is part of that interlocking system, which is an enhancement on what we have had with the fleet to date. The doors on trains that we have purchased in the past has been able to be left open while the train is actually departing the platform. There is a procedure for staff to manage themselves in that regard, but what we have now with new technology, new CCTV technology, particularly—

**The Hon. DANIEL MOOKHEY:** Can I just ask one very quick follow-up. Are you envisaging the use of the same interlocking technology on the new regional fleet? Is that a design requirement that you have put to the market for the procurement of that fleet?

**Mr STAPLES:** I would have to take that on notice in terms of the particular details of that. What I would say is that the operating procedure on the existing XPT fleet is very different to what we have on our existing—

**The Hon. DANIEL MOOKHEY:** I am asking you because there is concern that that will lead to the same displacement that there was concern about with the new intercity fleets.

**Mr STAPLES:** I can assure the Committee that there will be staff on the new diesel fleet. We are really excited about the delivery of that fleet. It is going to provide an opportunity to really renew the service and the quality of customer service for regional areas. We will look to make it an even safer system than we currently have today.

**The Hon. MARK BANASIAK:** I am directing my question to Mr Collins on the issue that happened on Friday. You were quoted in an article where you labelled the Sydney train system as "archaic" and "Frankenstein-like infrastructure" and you stated, "It is the failure of the way our system is built that one train can stop a whole network." What can be done to mitigate this Frankenstein infrastructure, if anything? How do we untangle the mess of a network that one train stops the whole network?

**Mr COLLINS:** Thank you for that. I was really referring to the switchgear which operates in the tunnel to isolate that particular train. We have already started a program of work developing the business case and also the preliminary analysis to develop what we call remote electrical isolation. I had attended a trial almost six months ago, demonstrated at Strathfield, of the ability to operate, through modern communication, the remote isolation of switches, which was very promising. We are going through that case. I would say some of the things we have done since I have arrived here have moved the system extremely forward. The Rail Operations Centre, for example, is a good example, one I think that is world-class, bringing together signalling, control, social media, operations, security, train crewing, all in one location.

It is a fact that this network is 164 years old. Our electrical railway was designed by the transport world-renowned John Bradfield, and the system which we have, this 1,500 DT system, is really a part of that history, although it has been upgraded in many ways and switches and things have changed over time. I am very keen to bring the very modest knowledge I have over my experience of running of the railways to this country, and I certainly believe that we are seeing huge investment in that.

This project is going forward and we will work and prioritise to ensure that we can, in future, move trains forward more effectively and isolate the emergency. If it was an immediate danger there is another way of switching the power off at the substations but that would have meant switching the power off from Milson's Point to Redfern for every train in the section, so the decision was made not to disrupt the rest of the network initially but to isolate it using the traditional method. We have a program, we have a plan and we are moving forward on that plan.

**Mr STAPLES:** There is a bigger picture strategy here to provide more resilience into the system as well which will come on board over the next five years as metro is built through the city. That will give some more breathing space for Sydney trains in operation to be able to respond to these incidents because we can move passengers between new systems. This will be the first rail line built through the Sydney CBD in 40 years and it is going to provide the latest technologies, substantially higher capacity than we can have with our existing suburban train system. We are connecting you to the key points at places like Chatswood, Martin Place and Central. What that creates is a massive opportunity for us to manage disruption in a way that we cannot do today because we can stop trains at Central.

If we had that incident like we did the other day, obviously the first preference is we can move the train quickly. But if we find ourselves in that circumstance again, Sydney Trains operators will have more options available to them to move passengers at Chatswood, Martin Place and Central onto the metro and keep people moving while we respond. The overall multimodal investment program that we have here is actually working towards a much more resilient transport system as a whole.

**The Hon. MARK BANASIAK:** You mentioned that the switches were the issue, that they were the archaic part of the system. You said you are looking to upgrade them. What is the timeline for that upgrade?

**Mr COLLINS:** Let me again make it clear. Those switches are serviceable, they are safe, they are in good order. It is the methodology of getting to them, which were in the tunnel. It is certainly our plan, and trials have worked very successfully. We now have to prepare. Obviously this changes the standard of operation. This, in some ways, is a world first of converting this type of railway to remote switching and we have a pretty advanced program and we will be working with our colleagues in Transport for NSW. I cannot, and I will take on notice, the timescales, because it is early days yet. But I can assure you that we want to do this as quickly as possible, but in the meantime it is reviewing all those other things that went on the day. We are going through that now. We will come up with some findings and obviously understand what more we can do to mitigate against such incidents.

**The Hon. MARK BANASIAK:** It is probably prudent that Mr Staples mentioned Sydney Metro as a way of negating or helping the situation if it arises again. Sydney Metro has had its own issues of late. I was reading that there were a couple of instances where the driverless trains had malfunctions and did not stop at stations, or did stop at inappropriate positions and then had to be taxied off by staffers. There have been three breakdowns in three weeks. Have we ironed out those kinks? Have we identified what caused those three breakdowns in three weeks?

**Mr STAPLES:** I will turn to Mr Lamonte to give you a little more detail as the Chief Executive of Sydney Metro. Certainly what I would say is that we always expected that there would be a few technical issues in the early start-up. This is a high-tech, modern system and if you look around at fully automated systems being brought online around the world, they do take a while to settle in. My expectation as the leader of Transport is that, as the operator comes to grips with the new technology and the way to use it, that there will be less incidents, and when the incidents arise the time to respond and address those incidents will reduce and therefore the impact on customers will decline. I will let Mr Lamont give just a little bit more of the context to the current things that we are dealing with.

**Mr LAMONTE:** Thank you very much. The first thing to say is that we are obviously very sorry for any incidents that have occurred and the impact they have had on customers. Just to correct one point where trains have been, in the very early stages, looking to get to their stop point so that they are aligned between platform and train, they are operating exactly as they were designed. They will not open the doors unless and until they are aligned. If they did miss, in the early stages by a short point, then they would automatically get to align. We are

seeing much less of that as the trains have now learnt and they are operating much more effectively in that role. In more recent incidents that we have had—we have seen a variety of incidents; it is not a systemic issue here, but we have seen incidents where this is a complex software issue between a train communicating with a control centre, communicating with issues on a platform. There have been software misalignments there and they have been relatively quickly resolved, but it has caused interruption and we are obviously sorry for that.

One of the real benefits of the Sydney Metro system is its speed to recover. That is partly around it is very quick, once problems are identified, to sort them out. To introduce new extra trains into the system relatively quickly to get the system, because it is a fast train, to speed up so that we can recover the services back to normal is one of the benefits we are seeing. Certainly we should see over time less incidents, but a much better response and very quick recovery to normal service.

**The Hon. MARK BANASIAK:** Just to clarify, these three incidents, you said that they were not systemic, they were software faults. Were they similar software faults or were they all completely different in IDS, what the fault was?

**Mr LAMONTE:** Different in nature. One was a software fault between the three elements of the train, the platform and the control centre that needed resetting. That was one of the incidents. Another was a train failure in its own right where there was a problem with the train and that needed to be sorted out, and one of the reasons was that we had to get it out of the way and it can only be moved relatively slowly. There have been a number of different things going on. They are not systemic issues, not repeatable.

**The CHAIR:** Touching on the nature of those interlocking doors, which is a good safety feature to make sure that the doors are actually closed before the trains take off, I believe this is a metro experience rather than trains, but perhaps a similar concept applies. This idea of children being left on trains because they have got on board but the parents have not, some people are concerned that is as a result of not enough staff or a low staffing model. How would that be dealt with, would that be picked up by CCTV?

**Mr STAPLES:** Thank you for that question, it is an opportunity for myself and Mr Lamonte to talk a little bit about that. There are thousands of kilometres of fully automated systems with screen doors and trains that stop in the way that Mr Lamonte was just talking about working around the world now. It is fair to say that whenever you introduce things into a place where they have not been used before the system has to get settled in, but there are also the customers that need to adjust to a different experience. I am a parent and had young kids, and I know what it is like to travel on the train and the things that will be going through your mind as you are navigating the system. One of the historical factors of our existing system, as you know, is that there are often platform misalignments.

The train floor is here and there is a gap between the platform and the train. Your big thing here is: Will my child fall between the train or fall through? What parents do often is that they take the time; they put one child on, they step back and they bring the next child on because they are concerned about that. Metro is a completely different universe in experience because of the way we have been able to build it with the latest technology and to the greatest disability standards. There is absolutely no way that a child can fall between a train. We have a 40-millimetre gap. The other element of that is the screen doors on the platform give parents great comfort that the child is not going to end up in any way on the track because it is just simply impossible for that to arise.

**The CHAIR:** So those screen doors do not open until the train stops?

**Mr STAPLES:** No, the screen doors cannot open. They are interlocking. Those doors are all joined up in the system. Just to go off on a tangent, one of the reasons why we do have some reliability issues is that there are so many layers of safety and checking going on that it needs only one checking thing to go, "I am not quite sure whether this is working properly" for the system to stop until things are self-checked again and start again. There is a lot of safety redundancy in the system. The critical thing I want to emphasise, and then I will turn to Mr Lamonte to talk a little bit more about what is in the metro thinking, there is some information and awareness to understand that the system does operate a little differently. We are certainly taking to heart the incidents that have occurred about separations and clearly we have some communications to do to help customers understand the way the system operates.

**The CHAIR:** I understand what you are saying, but I have a lot of experience travelling in London on a similar network with the double door and having a child in a pram as well as a two-year-old, and trying to hold on to the two-year-old at the same time as getting the pram and lodging the pram in the sensors so you can then grab the two-year-old. Clearly that is something parents learn to do. Are staff watching that process? Is there anyone to help out in that situation?

**Mr STAPLES:** I think what you will find is parents learn to operate a little bit differently. They will find the system easy. The key thing is to stay close together on these systems. Whereas your natural tendency on the older system, where some of the dangers are different, is to actually keep things apart because you do not want a child that might fall through. I have a pram, I want to get the pram on.

**The CHAIR:** You are right, it is always a struggle.

**Mr STAPLES:** The alternate with metro is a different mindset, which is stay together. When you are travelling on the metro stay together.

**The CHAIR:** Is there any education program around that?

**Mr STAPLES:** That is a good reflection for us. I will hand to Mr Lamonte to share some of the thinking that we have there. One thing I credit, the feedback we have had from some of those incidents is staff handled the matter exceptionally well. In fact, I have personally received emails from members of the public complimenting the way the staff have handled the separation incident of a child and a grandparent, and how complimentary they were in the way staff managed that. Clearly we want to improve the experience for customers around this. I will hand to Mr Lamonte to give you a little bit more.

**Mr LAMONTE:** The first thing I should say is that obviously I want to apologise to those people who have been involved because it is a very distressing experience. We would want to apologise to those people involved. Having said that, it is a timely reminder about the need to keep everyone together. As the secretary pointed out, these are very different doors to the way Sydney Trains operate. Having come from London where these systems have been operating for over 30 years now, people could get very used to it. It is timely to remind people to keep everyone together. A program of advertising was done in January to educate people as the systems were coming online. It is timely to have another look at that program, which is what we are doing now, to look at another wave of education. To reiterate the secretary's point that staff have been on station and all stations are manned and NTS, the operators, plan to have staff on every train as well. It has been extremely helpful in bringing people back together again just as quickly as possible.

**The CHAIR:** Are the staffing levels for metro similar to staffing levels in London for a similar line? I am thinking the Jubilee line.

**Mr LAMONTE:** They are rather different environments. The Jubilee line has a mixture, some with platform screen doors, some without, as you will recall from London. Obviously the London underground staff are manning stations where there might be a variety of different lines. Some of them where you have the docklands light railway with this system, but some of them could be the older system. It is a very different environment. I am sure Howard Collins can explain a lot more, having come from there. What we have done with metro trains in Sydney is to have an output-based performance contract with minimum standards that we want to see and ensure that the KPIs provide for the very best customer service that we can provide.

**The CHAIR:** Does that include a set number of staff?

**Mr LAMONTE:** We set a minimum requirement for what we expect to see and the operator then uses their expertise to manage that.

**Mr STAPLES:** Just as the person that oversees all of the rail net organisation. The first point I would make is that we have a rail safety regulator that provides assurance around the overall operational system and it looks at the safety management systems and provides accreditation in terms of overall operation. The staffing levels thing is an apples and oranges comparison. When I think of the day of work for a Sydney train staff member, a driver and a guard, a lot of their work is focused around the safe operation of the system. The driver is focused on the signalling system, the right routes, where to stop and those sorts of things. Their job is all about safety. I am sure Mr Collins could unpack that more. Even for the guards when they come into the station a lot of their job is about clearance and communications and so forth.

With the metro most of that safety work is done by the automated system itself. The advantage that gives us and the operator is to think differently about the way staff are actually available. We have the opportunity for staff to move through the trains and interact with customers and really be there more for when things are not working properly to be able to step in and intervene. There is a very different operating model. It is difficult to say what is the staffing level on one system and how does it compare to the next because you have very different system operation and responsibilities for the staff.

**The CHAIR:** Are there more staff now on the metro than you intend to be in six months? Is the plan to reduce staff numbers as people get more familiar with using the metro?

**Mr STAPLES:** Mr Lamonte is spending more time overseeing, so I may refer to him to give you some background on that. If we do not have the full detail, we can take that on notice.

**Mr LAMONTE:** The broad picture is that we have about 300 staff on Metro Trains Sydney at the moment. As I mentioned before, Metro Trains Sydney's plan is to have every train manned. As the secretary said, it is a different role when you have a metro train, which you can see the full length of, there are no stairs involved. It is a very different proposition where they can focus on giving customer service and supporting customers.

**Mr STAPLES:** Going back to the number of incidents you referred to, it is worth putting it in the context of the fantastic take-up we have had on the metro, in terms of the more than 5 million journeys on the system. I would never downplay the significance of any one individual incident but in terms of the total usage, and particularly the amount of children we have had travelling on the system, for me personally it has been fantastic to see excited children up the front of the train. It was very crowded at the front and the back of the trains in the early days of the operation. It has been heavily used by children and we are pleased overall with how it is going.

**The CHAIR:** It is always great to have. I am not anti-metro, by any means—it is a great addition to our transport network. Back to that staff point, there are 300 staff at the moment. Do you envisage that there will be 300 staff in a years time?

**Mr LAMONTE:** I am not aware of any change to Metro Trains Sydney manpower plans at the moment.

**The CHAIR:** It would be their decision, rather than—

**Mr LAMONTE:** It is their decision but I would emphasise that we have set minimum standards and there is a national rail safety regulator that stipulates a safe standard. There is no suggestion that any of that would change.

**The CHAIR:** I appreciate what you are saying from a safety perspective but in terms of numbers of jobs in the metro, I am curious as to whether there are plans to reduce the numbers?

**Mr LAMONTE:** As I said, I am not aware of any plans to amend that number at all.

**The CHAIR:** Would the Government be made aware of that by the operator?

**Mr LAMONTE:** Absolutely. We talk to the operators all the time so if there was any proposition of that we would be talking about it.

**The CHAIR:** Is it information that you would have that you could take the question on notice and come back—to find out if there are any plans?

**Mr LAMONTE:** As I said, I am not aware of any plans. I am very happy to take on notice to see if there is anything else that we can provide but I am not aware of anything that is out there.

**The Hon. SHAYNE MALLARD:** Earlier today we had some discussion questions about safety around the new light rail systems, particularly in Newcastle. The Sydney one is about to come online, which is very exciting. Could you outline for us the steps that Transport for NSW has taken to raise awareness and educate the community—I guess I am talking about pedestrians, cyclists and motorists—about safety around the new light rail system in Newcastle and Sydney?

**Mr STAPLES:** I might give a bit of a general approach. We already have one light rail system in operation in Sydney, we have one in Newcastle and one imminently to bring online here in the Sydney CBD out to the south-east and then the Parramatta Light Rail under construction. I will share the general approaches and then hand to Mr Pascall, because the one that is front of mind for people at the moment is Sydney CBD and the South East light rail, in terms of our readiness for operation. Ms Mildwater may have a little bit about the operational readiness oversight around that. We use a very safe systems approach to the design of the overall systems from the concept right through to completion, with engineering assurance and so forth in and around this.

Bear in mind that we do it in an environment of accreditation of a rail safety regulator as well, in terms of light rail because there is stringent oversight in safety management systems and accreditation. In terms of the interaction with the road network, there are road safety audits that are undertaken as part of the design process as you step your way through. If you contrast the main street of Newcastle today, relative to what was there three or four years ago, in terms of environment for pedestrians and so forth, I think you would be pretty impressed with the safety and being able to move around in that environment now. Speeds are lower, there are more fixed crossings for pedestrians and so forth—just as an illustration of the sorts of things that have been achieved along the way.

We certainly have undertaken a range of audits through the design processes. We engage with stakeholders, locally and with bicycle associations and so forth, to get their input in and around the design process and the outcomes. We endeavour, where we can, to take on feedback around those sorts of things. We also look to what else is happening elsewhere. As I alluded to in my earlier response, the lessons we have learnt from the recently opened Newcastle Light Rail are being immediately transferred to Sydney Light Rail. Some of the resources and people are moving between those projects to share those lessons.

We are also looking down to Canberra, where the light rail has come on recently. There have been some incidents on that and we are examining those and making sure that we are bringing those lessons in. As well as Melbourne—it would be fair to say that the existence of the tram system in Melbourne for a number of years has created a different behaviour mindset because people are more used to it. We also have the lessons out of the Gold Coast, where a new system was recently introduced and the education campaigns that go in and around that. I might hand to Mr Pascall because he can talk a bit more specifically about the readiness process that we are going through for the Sydney Light Rail.

**Mr PASCALL:** Since March 2018 Transport for NSW has been working on our integrated safety campaign for the Sydney Light Rail—that is, to support safe interaction of the light rail with all other modes of transport. This includes messaging to people who are walking, cycling, driving and heavy vehicle operators. We have done that in consultation with a number of industry groups, including the NRMA and cycling groups such as Bicycle NSW and BIKEast. They have been very supportive and have helped us tailor our communications and messages.

The latest safety campaign that we have been working on, which has been running since August, is the “Heads Up! Play it safe around Light Rail”. We are pushing it at the moment. It is across all the social media channels, in print, as well as on buses and at bus stops—and hopefully you have seen those around. As of last night, we are also putting decals out on a lot of the road crossings to remind people to keep off their phones around light rail vehicles. What we have found with the logos on the ground, is that when people are looking down at their phones they can actually see that and it gives them more awareness. That has been a real push for us along the line.

We are also up on Facebook—we have had more than 143,000 views—as part of that, and as a wider perspective, that we have been working on. That is in conjunction with NSW Police. When we introduce the trams into different sections we do it at night and we do it very slowly, under full traffic control conditions. We have NSW Police supporting us at those major junctions. You would have seen that today as we took the vehicle into the CBD area. That is a very important part of the next stage of the light rail. Not the fact that we got it to Circular Quay, but so that people can start to see the vehicles and understand how they operate. It is a new mode of transport, right in the CBD area, and we are well aware of pedestrians around there. We will be working our way nice and slow, bringing that through.

The key in all of this is that because they are operated by the tram drivers, the drivers will be operating at what they consider to be the safe operational speed and we will be building that up over a period of time. Again, it is about the recognition of people around it. I would say that as part of that engagement program, we started to do some filming in June, both around the inner west light rail and the CBD South East Light Rail to produce some school education resources. It is incumbent on us to make sure that our next generation are well aware of this new mode of transport coming to the city. We are producing ebooks and scenario videos to be used in schools across New South Wales and teacher guides to go alongside those. We will be using the New South Wales school resource website, known as “Safety Town”, for all of those. We anticipate to be finishing those resources in mid- August and then support the rollout in September.

What we have done as well along the alignment, especially in places like Surry Hills where you have schools, the Coordinator General Marg Prendergast, and some of the safety team who are doing the testing and commissioning have been to the schools and spoken to schoolchildren, teachers and parents along the route. That has been very helpful. We have also done e-blasts—as it is a changing environment—out to schools, businesses and people in the areas. What we are seeing is a real high-level engagement. I think that high-level engagement is significant and important for us. The other point to this is to make sure that people are aware of the regulatory obligations they have. I need to reiterate that the light rail corridor is deemed as a road and should be treated as such. Pedestrians need to apply the same behaviours. You do not walk across on a red light. You do not enter that zone and you only cross at specific intersections. There are fines for those if they were to be caught by the police.

In regards to road vehicles, we would ask road vehicles definitely not to enter those corridors because they will be used by trams. Obviously, we are doing a lot more daytime testing now from Randwick up at High Street right the way down to Town Hall. Over the coming months we will be stepping that up into the city. We

are now doing pretty much near enough all-day testing on those areas. If people do go into those zones—and I have heard of a couple of instances where people have regrettably gone into a roadway—you are in it, do not worry about it, but do not speed. We have seen a couple of cases where people have gone in there, maybe felt a bit freaked by being in that corridor, and actually driven very fast. If you are in it, you are in it and just move slowly.

I have seen some shots of a vehicle moving very fast alongside an existing light rail vehicle that is moving. It is really important to make sure that, if you are in there, just slowly get yourself out of there. If you follow the route through, you will be able to get out of there. We talked this morning about cyclists as well. Our condolences on behalf of the Sydney Light Rail project to the family of the cyclist who was lost up in Newcastle. We remind cyclists that they need to dismount or walk their bike across tram tracks. If you do need to ride it, you need to ride it at a 90 degree angle or as close to it as they can to make sure that the bike wheels do not get stuck in the tracks. The other thing is to ride predictably.

**The Hon. JOHN GRAHAM:** The Minister has already addressed this point, but go on.

**The Hon. CATHERINE CUSACK:** Excuse me, this is a question that the Government has asked for clarification. It is very rude.

**The CHAIR:** Order! The witness can continue.

**Mr PASCALL:** As I was saying, cyclists need to ride predictably. I emphasise that by that I mean no jerky movements. They also need to obey the traffic lights, and stop and give way signs along there. With that in mind, there is a significant program on foot to make sure that people in the city and out to Randwick are aware of these vehicles. We are doing a lot of media, social media, print and we will continue to do that. We also have trambassadors, who are out at designated locations on the route to talk to people and pick up any problems or concerns that they have, and also to be out and educate the public.

**Ms MILDWATER:** I would like to add a couple of points. Mr Pascall referred to the school education campaign that has started; the Coordinator General is personally going out and attending schools on the route. Some of the feedback from those sessions is actually quite remarkable in terms of how quickly children understand what the tram is about and what the behaviour change is. We are seeing the importance of face-to-face education. I think you will see that as we ramp up and the benefits from that ramp-up as education continues over the coming months.

The only other point that I would add is that we are well on the way to our operational readiness from a whole-of-transport perspective. We are running several levels of operational readiness covenants, culminating in a steering committee that I chair that also has the chief executives and the heads of the other modes of transport so that we are covering off road safety, the interaction with rail and buses, with what occurs along the route. The operator also attends that committee every second week, so that we can check in on how their operations are tracking, how their safety training is tracking and all of that. We have quite a significant process underway to ensure safety as we go into operations.

**The Hon. SHAYNE MALLARD:** Thank you for that comprehensive answer.

**Mr STAPLES:** I might just add two final remarks. Hopefully what Mr Pascall has illustrated is that there is quite an exhaustive process undertaken. That is very similar to what was undertaken in Newcastle, including educational campaigns with children and so forth. It was useful to give him the opportunity to illustrate the type of thing we go through. There was a similar approach in Newcastle and we will do even better in Parramatta as we wind our way through what we are doing on this one.

There was a question earlier around the safety review in Newcastle and during the break I sought a bit of additional information from the team to give some assurance to the committee that we are not standing still on that matter. Some of the things we are considering include looking globally at technologies to insert into the track to avoid wheels getting caught. There are lots of concerns around maintenance and all those sorts of things, and how to use durable materials. There is no single solution floating around globally at the moment, but one of the outcomes is that we are going to look more deeply at some of those things. There may be an application that we could potentially use in Newcastle. I wanted to give some assurances on that and those sorts of things that may come out of that review.

**The Hon. SHAYNE MALLARD:** I appreciate the comprehensive answer. The Government will relinquish the remainder of its time, but reserve the right to ask questions.

**The Hon. PETER PRIMROSE:** I have two quick ones. Mr Staples, can you please confirm that each of the Standing Order 52 order for the production of documents that have been made by this Parliament in relation to all of your agencies has been fully complied with?

**Mr STAPLES:** I have obviously signed off on the standing orders that have been placed in there and I have provided assurance around that. Certainly, where we have felt we have needed to give some clarification on the way we have interpreted those standing orders, we have provided that clarification in the response so that we are clear on the way that we have dealt with those standing orders. Obviously, they are fairly extensive with a lot of documents captured. We need to work out what to put in and what not to put in, so there are some tables and so forth, for example, attached that give clarification of how we have dealt with those.

**The Hon. PETER PRIMROSE:** Can you please also confirm that no documents were retrospectively marked "sensitive Cabinet" or "Cabinet in confidence" after the order had been made and subsequently therefore excluded from the return to order either as a public or a privileged paper?

**Mr STAPLES:** I have a team that takes both the GIPA and the Standing Order 52 process extremely seriously. We do an independent data search within the organisation, extract the documents and then go through the review of the status of those documents to determine whether they are Cabinet documents or not, or to determine whether they have categories such as legal privilege or whether they can simply be made available for open viewing by members of Parliament. That is done independently of anyone in the organisation. Whether a document is marked "Cabinet" or not, as I think you would appreciate, is secondary. It is whether the document is actually considered Cabinet based on what it is being used for. The people who determine that sit under my jurisdiction, but I do not influence that process. I give them latitude to determine what they understand is right based on the evidence that is in front of them.

**The Hon. PETER PRIMROSE:** But you are not aware of any situation where a document has been marked "Cabinet in confidence" after the order has been called?

**Mr STAPLES:** No. As I said, whether a document is marked "Cabinet in confidence" is really a secondary matter. As you would appreciate, it is whether that document has been prepared for the purpose of or has been used for advice to Cabinet. That is the critical test, as I understand it from my legal counsel. It will look at all the documentation on that basis. The marking is really a secondary thing, and I am not aware of why people would start doing that.

**The Hon. DANIEL MOOKHEY:** Mr Gilfillan, is a Mr Edward Martin employed at the Port Authority of New South Wales?

**Mr GILFILLAN:** Yes, he is. He is my executive of corporate affairs and external relations.

**The Hon. DANIEL MOOKHEY:** Does that mean that he is a member of the executive leadership team?

**Mr GILFILLAN:** Correct.

**The Hon. DANIEL MOOKHEY:** Is he an executive with remuneration equal to or exceeding the equivalent of SES level one?

**Mr GILFILLAN:** I cannot confirm how that compares with SES. We operate as a State-owned corporation with a different structure, but I can take it on notice and advise whether that is so.

**The Hon. DANIEL MOOKHEY:** He is one of the nine people who are on your executive leadership team?

**Mr GILFILLAN:** I have seven and my executive team.

**The Hon. DANIEL MOOKHEY:** Sorry. Seven now, yes. He is one of the seven?

**Mr GILFILLAN:** He is one of the seven.

**The Hon. DANIEL MOOKHEY:** In your previous annual report you have said that there are no executives with remuneration equal to or exceeding the equivalent of Senior Executive Service [SES] level one. You reported that there is no-one below level four.

**Mr GILFILLAN:** That would remain correct.

**The Hon. DANIEL MOOKHEY:** That would remain correct. So it is the case that Mr Martin is likely to earn above \$300,000?

**Mr GILFILLAN:** Yes.

**The Hon. DANIEL MOOKHEY:** Is he on any form of incentive payment or bonus arrangement?

**Mr GILFILLAN:** All executives are on incentive payments, yes.

**The Hon. DANIEL MOOKHEY:** What are the criteria for Mr Martin to be able to access his incentive payments?

**Mr GILFILLAN:** The board of the corporation sets objectives that I recommend to them, but they approve those objectives. They are based around deliverable objectives, they are based around leadership. They are a range of hardwired, what you would call broadly private sector-type measures of performance.

**The Hon. DANIEL MOOKHEY:** What are the delivery objectives that are tied particularly to Mr Martin?

**Mr GILFILLAN:** All executives are on a scheme of which 75 per cent of the component of their discretionary short-term incentive is based around the broad deliverables of the organisation. They include financial performance, as we have shareholding Ministers. They are based around safety, they are based around customer and stakeholder relationships and they are based around the delivery of our significant strategic projects of which we have a number. That 75 per cent of the available short-term incentive is the same for all the executive. The other 25 per cent is based around individual performance in terms of leadership and delivery of leadership of the division he is looking after. So they are very much in line with private sector.

**The Hon. DANIEL MOOKHEY:** Does that vest every year?

**Mr GILFILLAN:** That is every year. That is reviewed every year.

**The Hon. DANIEL MOOKHEY:** What is the maximum incentive payment that he could access if the board was to approve it in accordance with the policy you just outlined?

**Mr GILFILLAN:** It would be 15 per cent of his salary.

**The Hon. DANIEL MOOKHEY:** Fifteen per cent of his salary. Thank you. When was he appointed?

**Mr GILFILLAN:** I believe he was appointed in May this year, 2019.

**The Hon. DANIEL MOOKHEY:** When did his predecessor leave the job?

**Mr GILFILLAN:** I think his predecessor left the job about two or three months before that—maternity leave.

**The Hon. DANIEL MOOKHEY:** Is his title Executive Manager of Corporate Affairs and Communications?

**Mr GILFILLAN:** Industry Relations.

**The Hon. DANIEL MOOKHEY:** Your annual report says that his predecessor who held that role left in May last year.

**Mr GILFILLAN:** The roles were combined together. There was a person who was doing both human resources and corporate affairs.

**The Hon. DANIEL MOOKHEY:** Why did that person leave?

**Mr GILFILLAN:** The most recent one was on maternity leave. She decided not to come back.

**The Hon. DANIEL MOOKHEY:** Was Mr Martin's position advertised?

**Mr GILFILLAN:** No.

**The Hon. DANIEL MOOKHEY:** Externally or internally?

**Mr GILFILLAN:** Neither.

**The Hon. DANIEL MOOKHEY:** How was he identified as a candidate who would be suitable for the job?

**Mr GILFILLAN:** I knew Mr Martin from my experience and involvement with the Minister's office.

**The Hon. DANIEL MOOKHEY:** So you chose him directly?

**Mr GILFILLAN:** I did.

**The Hon. DANIEL MOOKHEY:** When did you make that decision?

**Mr GILFILLAN:** I formed that view and I followed a procedure of doing internal interviews with a number of the other executives in the period post-election to May.

**The Hon. DANIEL MOOKHEY:** Effectively you headhunted him? Is that accurate?

**Mr GILFILLAN:** I had him in mind because I was impressed with the performance that I saw in my relationship working with him in the Minister's office.

**The Hon. DANIEL MOOKHEY:** Were you required to obtain your board's consent?

**Mr GILFILLAN:** I advised my board of my processes of selection, but I am not required to get board approval as to who I appoint.

**The Hon. JOHN GRAHAM:** How many candidates were interviewed for the job?

**Mr GILFILLAN:** There was only one—Mr Martin.

**The Hon. DANIEL MOOKHEY:** Did the board express any views as to the suitability or appropriateness of his appointment and appointment method?

**Mr GILFILLAN:** The board expressed the view that they supported what I was doing based on the information I provided of my interaction with Mr Martin during the preceding two years in which I got to know him. They followed my judgement on that matter.

**The Hon. DANIEL MOOKHEY:** You alluded to his previous work history. Prior to joining the Port Authority of New South Wales, Mr Martin was the chief of staff to the former roads Minister, Melinda Pavey. Is that correct?

**Mr GILFILLAN:** That is correct.

**The Hon. DANIEL MOOKHEY:** Is that the basis upon which you were interacting with him and were able to ascertain his experience?

**Mr GILFILLAN:** Correct.

**The Hon. DANIEL MOOKHEY:** Is there a Miss Polly Bennett employed at the Port Authority of New South Wales?

**Mr GILFILLAN:** There is.

**The Hon. DANIEL MOOKHEY:** What is her title?

**Mr GILFILLAN:** She is a general manager responsible for strategy within our technical division.

**The Hon. DANIEL MOOKHEY:** Is she also a member of your executive team or is she a level below?

**Mr GILFILLAN:** No. She was employed by one of my executive.

**The Hon. DANIEL MOOKHEY:** You said general manager level?

**Mr GILFILLAN:** Yes. It is one below executive level.

**The Hon. DANIEL MOOKHEY:** Is she an executive of remuneration equal to or exceeding the equivalent of SES level one?

**Mr GILFILLAN:** No.

**The Hon. DANIEL MOOKHEY:** She is not on the SES regime?

**Mr GILFILLAN:** No.

**The Hon. DANIEL MOOKHEY:** What is her approximate salary range?

**Mr GILFILLAN:** She is working three days a week. I cannot give you what her salary range is, but it is appropriate for a general manager in our organisation.

**The Hon. DANIEL MOOKHEY:** Do you mind taking that on notice?

**Mr GILFILLAN:** I can, yes.

**The Hon. JOHN GRAHAM:** To whom does she report?

**Mr GILFILLAN:** She reports to one of my executive called Brad Milner. Of course, Polly Bennett was also a member of Minister Pavey's team.

**The Hon. DANIEL MOOKHEY:** Yes. We will get to that. Is her position a new position?

**Mr GILFILLAN:** It is.

**The Hon. DANIEL MOOKHEY:** Why was that position created?

**Mr GILFILLAN:** Because we had a deficiency within our organisation for somebody who could pull together—what we have is a number of quite complex strategic issues around our real estate that we are responsible for which includes Sydney, Port Kembla, Newcastle, Eden and Yamba.

**The Hon. DANIEL MOOKHEY:** What are her responsibilities?

**Mr GILFILLAN:** Her responsibility is to work on strategic projects and to liaise with the current Minister's office, to do detailed analysis along with a number of other people in that area. She brings a very sharp oversight of issues. In my organisation there has been a relative weakness in being able to pull the strings together, if you like, on what are a number of moving projects.

**The Hon. DANIEL MOOKHEY:** Who did you say appointed her?

**Mr GILFILLAN:** Brad Milner.

**The Hon. DANIEL MOOKHEY:** Who is he?

**Mr GILFILLAN:** An executive general manager, commercial, technical and legal.

**The Hon. DANIEL MOOKHEY:** Was Miss Bennett's position subject to a public selection process?

**Mr GILFILLAN:** No, it was not.

**The Hon. DANIEL MOOKHEY:** Was it subject to an internal selection process?

**Mr GILFILLAN:** No. It was not.

**The Hon. DANIEL MOOKHEY:** How was she identified as a candidate?

**Mr GILFILLAN:** Because the skill set we were looking for was not identified as being present in anyone we had internally and the skill set that we saw that she had matched very well what we were looking for. In other words, she was headhunted as well by Mr Milner.

**The Hon. DANIEL MOOKHEY:** Were you required to give your approval to that appointment?

**Mr GILFILLAN:** I was.

**The Hon. DANIEL MOOKHEY:** Did you?

**Mr GILFILLAN:** Yes, I did.

**The Hon. DANIEL MOOKHEY:** Did you report it to your board?

**Mr GILFILLAN:** No. I am not required to for that level.

**The Hon. DANIEL MOOKHEY:** Right.

**Mr GILFILLAN:** But I did advise the board.

**The Hon. DANIEL MOOKHEY:** You advised the board. So there is a difference between reporting and—are you trying to say you did not require their consent but you made a discretionary choice to tell them?

**Mr GILFILLAN:** Correct.

**The Hon. DANIEL MOOKHEY:** Okay. Why was her position not subject to any form of public advertisement? I accept your view that there was no-one inside your organisation that was capable of providing the role that she was but given that a public selection process is standard, particularly for these types of jobs, why was one not applied in this instance?

**Mr GILFILLAN:** I have the choice within our organisation as to whether I choose to advertise internally and externally or whether I use networks, which is quite a common practice within the industries that I have

worked in. I prefer people I have worked closely with, whose capability I know and whom I trust. When I find someone that I know, that I have worked with and their skills match exactly what I am looking for, not only am I not required to run an external process or an internal process, I do not see the point in it.

**The Hon. DANIEL MOOKHEY:** You are aware that the Public Sector Standards, amongst many other standards, are applied by every other public sector agency. I accept, of course, you are not in the same category, but you are aware that there is a general view that when it comes to these types of positions the method of appointment that you just described ought to be used in the most sparing of circumstances?

**Mr GILFILLAN:** Exactly, and for all the appointments we make in the organisation these are the exceptions. They are exceptions for very good reason.

**The Hon. DANIEL MOOKHEY:** Did you use any recruiters or try to ascertain whether anybody external to the organisation was capable of performing this job? Or was it the case that you simply identified that this person was your preferred candidate, or the preferred candidate of the executive general manager and he, essentially, appointed them?

**Mr GILFILLAN:** I and a number of my team had determined that these individuals very much matched the requirements that we saw we needed within the organisation. Therefore, to advertise externally would have been not only disingenuous, it would have been costly and unnecessary.

**The Hon. DANIEL MOOKHEY:** When was Miss Bennett appointed?

**Mr GILFILLAN:** I do not know exactly but I think it might have been in June. I can take that on notice.

**The Hon. DANIEL MOOKHEY:** It may be the case that it was sometime between April and June. Is that a potential?

**Mr GILFILLAN:** It is a potential, yes.

**The Hon. DANIEL MOOKHEY:** Miss Bennett was formerly the director of policy in the office of the former roads Minister, Melinda Pavey. Is that correct?

**Mr GILFILLAN:** Correct.

**The Hon. DANIEL MOOKHEY:** It is the case that in a span of effectively three months two of the former roads and maritime Minister's staff were appointed to jobs that, in total, are likely to exceed at least half a million dollars without any public process or, for that matter, internal process being employed—that they were, as you just said, appointed directly on the basis of your networks or the networks of your staff. Are you worried that that could potentially create the appearance of any element of favouritism, and is that appropriate?

**Mr GILFILLAN:** I would not be hiring anybody on the basis of favouritism. I might also point out that Ms Bennett worked for me once before, when I commenced in 2008 as the CEO of what was then Sydney Ports Corporation, so Polly Bennett was actually my executive at that time of Corporate Affairs.

**The Hon. DANIEL MOOKHEY:** Are Ms Bennett or Mr Martin currently engaged in the process of performing work for the authority in respect of the construction of a cruise terminal?

**Mr GILFILLAN:** Mr Martin is in Corporate Affairs, which covers a whole range of issues involved in the organisation.

**The Hon. DANIEL MOOKHEY:** What precise work is he doing specifically about the proposition that a cruise terminal will be constructed at Yarra Bay?

**Mr GILFILLAN:** He is working on all of our projects from the perspective of community, what will become community consultation, what will be communication with government, with our Minister's office, with Treasury, with Planning, with a whole range of stakeholders. His role is to develop stakeholder plans, so obviously he is going to have oversight and involvement in every single thing that we are doing externally.

**The Hon. DANIEL MOOKHEY:** Was he involved in that work when he was with the Minister?

**Mr GILFILLAN:** He was involved in some aspects of what we were doing as chief of staff for the Minister, as was Ms Bennett.

**The Hon. DANIEL MOOKHEY:** At the time when he was chief of staff to the Minister and you were engaged with him in that capacity, had he expressed a view that the Minister's favoured option or preferred option was for the construction of a cruise terminal at Yarra Bay? I am not talking about now, but when he was chief of staff to the Minister.

**Mr GILFILLAN:** He did not express any such view. The work—

**The Hon. DANIEL MOOKHEY:** Did you have any discussions with him directly about that at the time?

**Mr GILFILLAN:** We had discussions on what the Port Authority has been working on in developing a strategic business case for a potential cruise terminal at Yarra Bay, which is in complete compliance with the New South Wales Government's Cruise Development Plan, which it released in mid-2018.

**The Hon. DANIEL MOOKHEY:** Is that business case complete?

**Mr GILFILLAN:** The business case is ongoing.

**The Hon. DANIEL MOOKHEY:** Is he currently working on or involved in the construction of that business case?

**Mr GILFILLAN:** No, he is involved in the process of providing overview on consultation that will take place when that business case reaches the point—

**The Hon. DANIEL MOOKHEY:** Is Ms Bennett currently involved in the process of that business case?

**Mr GILFILLAN:** She is equally involved in all projects but more from a technical viewpoint.

**The Hon. DANIEL MOOKHEY:** What role is she playing in the proposition that a cruise terminal be constructed in Yarra Bay?

**Mr GILFILLAN:** She is working internally co-ordinating the effort between our Minister's office, our technical people, our legal people, again Mr Martin—they are working together as a team with a focus on different aspects of that.

**The Hon. DANIEL MOOKHEY:** Mr Draper, is Infrastructure NSW overseeing the development of this business case under the Infrastructure Investor Assurance Framework?

**Mr DRAPER:** It would not be correct to say that we oversight business cases, as in actively managing the process for any business case. The assurance program that Infrastructure NSW runs is an assurance process where an agency will produce a business case and we then facilitate what is called a gateway review of that business case that then becomes reported to Cabinet.

**The Hon. DANIEL MOOKHEY:** Have you facilitated a gateway review of the business case in relation to the proposition of a cruise terminal at Yarra Bay?

**Mr DRAPER:** I believe that all of the work that we do in the assurance area is Cabinet-in-confidence. It is all reportable to Cabinet.

**The Hon. DANIEL MOOKHEY:** Has Transport for NSW expressed its view that the construction of a cruise terminal at Yarra Bay is not appropriate?

**Mr STAPLES:** We are in the process of working with the Port Authority, which is doing the detailed work on a business case. Once that work is concluded it is ultimately not for the Port Authority or for ourselves to determine. There will be government consideration of that strategic business case and whether we proceed further, and it will be subject to an assurance process. So the relative roles, just to be clear—I mean we obviously have oversight of the transport network as a whole, and the policy setting and so forth. The Port Authority has particular operational responsibilities for management and oversight of ports, they have some good expertise and it is appropriate that they—

**The Hon. DANIEL MOOKHEY:** I do not wish to be rude but I only have 90 seconds left before this session ends. I asked whether or not Transport for NSW expressed concerns with it and I accept that that is your answer. I might return to this in future but I do want to ask Mr Gilfillan a couple of quick questions. Has the Port Authority of New South Wales been made aware of an impending proposition from any cruise operator or company, or anyone in the private sector, of an unsolicited proposal in respect of the construction of a cruise terminal at Yarra Bay?

**Mr GILFILLAN:** Part of the process that we are running at the moment, and what we have achieved, is to determine the feasibility of building a terminal down there. It is not a plan as such; it is a feasibility study. Before proceeding any further with that it is appropriate to do what we call a market sounding. For several months now we have been talking to a number of cruise lines—in fact, all the major cruise lines—and more recently we

have had an individual called Mr Adam Goldstein, who is the chief executive globally of Royal Caribbean in Australia and New Zealand, and they are looking at ways to assist us to make this happen as quickly as possible.

**The Hon. DANIEL MOOKHEY:** Have you had discussions with him, at your behest or theirs, in the process of your market sounding about utilising the Unsolicited Proposals policy of the New South Wales Premier and Cabinet to facilitate the progress of this terminal?

**Mr GILFILLAN:** We have had discussions with Mr Goldstein as recently as two days ago.

**The Hon. DANIEL MOOKHEY:** Has it reached the stage of a pre-lodgement meeting under that policy?

**Mr GILFILLAN:** Not in my knowledge, no, nowhere near it.

**The Hon. MARK BANASIAK:** I draw your attention to taxis and ride shares, so some of these questions may fall on RMS and some may fall on the Point to Point Transport Commissioner, but I will let you decide. In the first instance, the first couple of questions will fall to RMS. In September 2015, some 16 months after Uber's illegal operation had commenced, RMS advised that, with some 57 inspectors, they had managed to prosecute only a handful of law-breakers, which is apparently less than 20. They also advised that, due to operational reasons, none had actually proceeded to court. What were the operational reasons that hindered those matters going to court?

**Mr STAPLES:** I would have to say, in terms of the people here, particularly myself and Ms Trussell, we probably do not have a lot of history on the background of that earlier activity. We certainly have the Point to Point Transport Commissioner Anthony Wing here, who is available to talk about the oversight and the way we are managing that industry now from a safety assurance point of view, and there is a very good regime going on which I think we can give explanation to, but the specifics of what you are talking about I think we would need to take on notice.

**The Hon. MARK BANASIAK:** While it is prudent that you mention the safety regime, I want to draw you to some figures that I have in front of me regarding the number of inspections done on taxis versus the number of inspections done on hire vehicles—it should be noted that hire vehicles actually outnumber taxis by 15 to 1. In June 2019, 186 taxis were inspected and 30 hire vehicles; in May 2019, 279 taxis and 70 hire vehicles; in April 2019, 98 taxis and 8 hire vehicles; in March 2019, 136 taxis and 3 hire vehicles; in February 2019, 35 taxis were inspected and 2 hire vehicles; and in January 2019 31 taxis were inspected 31 and one hire vehicle. The taxis inspected over those periods totalled 765, compared with only 114 hire vehicles. Taxis were actually inspected at a ratio of probably 6 or 7 to 1, or more. Can you account for such a discrepancy, or clearly an inequity, in how those vehicles are inspected?

**Mr STAPLES:** I think I will hand to Mr Wing. The thing I would say immediately in response to that is that inspections is one measure, but the point to point laws and the change in hierarchy has brought a more modern approach to the way we oversee point to point. It has given an opportunity to provide new market entrants, but it has also taken a more modern approach to the way we provide assurance for our customers around safety. I will hand to Mr Wing to give you a bit more of an overview of the way we are running our process now through the Point to Point Transport Commissioner.

**Mr WING:** Certainly one of the major changes in the law was to hold not only the taxi driver or the taxi owner or the rideshare driver or owner responsible, but primarily and first and foremost to hold the actual company at the top of the chain responsible for safety. As a result, we do a lot of things now. In particular, we spend a lot of time working with the companies at the top of the chain that previously would say to us that they had no real responsibility for drivers or vehicles. We now hold them responsible; we go and talk to them, we do advisory visits with them, we do audits; we require them to prove to us that they have safe systems for running these vehicles and that they have safe systems for bringing their drivers on as well. That is far and away the best method because it holds people accountable who are actually at the top. The actual taxi companies, the rideshare companies such as Uber and others are now held responsible and self-directed.

We back that up by doing on-the-spot compliance checks as well, but they are very much backups. We will do checks for taxis, we will do checks on rideshare vehicles, we will also do work on the drivers as well. Thousands of fines have been handed out by us and police since the start of the new law; in fact, the majority of those fines have been for rideshare drivers not taxi drivers, the largest category being for failing to put a retroreflective sign in the back of the vehicle, the next largest category being for taxi drivers and not necessarily for the vehicle, for taxi drivers failing to display their ID, which is a real safety concern. The combination of all those, the fines on drivers or the checks on drivers, the check on vehicles and most and above all the auditing of

the actual systems of the companies themselves that are held primarily responsible, all work together. So it is not a question of looking at any one part of that system, it is looking at it from top to bottom.

**The Hon. MARK BANASIAK:** But there is no real explanation in terms of the inequity of those inspection figures? Is there something that hinders you inspecting hire vehicles compared to taxi vehicles?

**Mr WING:** What I am saying is that there is no inequity once you start thinking about it; it is taxi vehicles, it is hire vehicles, it is drivers, it is the whole system. There have been far more fines handed out to drivers and there may have been more compliance checks on taxis, collectively though they are overall balanced based on how much equity there is.

**The Hon. MARK BANASIAK:** How many inspectors does it take to inspect a taxi or hire vehicle? Is it a one-to-one ratio? How do they operate?

**Mr WING:** There are two different possibilities. One is if we are doing an audit the auditors will be in there and they will actually look at them as they are doing them. On the road, if we are doing on-street compliance inspectors operate in pairs for safety reasons.

**The Hon. MARK BANASIAK:** You mentioned that obviously safety is paramount. I draw your attention to the point to point reform. On your website it states, "Under the point to point transport reform taxi service providers and booking service providers (such as traditional hire cars and rideshare) have a primary duty of care to ensure the safety of their services." Would you say that that level of safety is equal in the taxi industry compared to the rideshare industry in terms of the safety they provide?

**Mr WING:** The effect of the new laws, as I said, was to say that for the first time these companies at the top would be held responsible, that we would no longer accept that the company could just wash its hands of things that are done by drivers and vehicle owners. We look at all of them across the board, we check all their systems; we require all of them equally, every single one of them, to make sure that they are running proper maintenance schedules or that the people who drive them are running proper maintenance schedules on their vehicles.

We require all of them, whether a rideshare or taxi, to make sure that the vehicles are getting annual roadworthiness, and there are actually higher levels of roadworthy standards in this industry because whereas for a normal car a roadworthy is only required once the car is more than five years old, we require them every year from immediately for both rideshare and taxis. We require both rideshare and taxis to carry out checks on all their drivers as they onboard them, to make sure that they do not have a seriously bad driving history or a serious criminal record, particularly we do not accept people in the industry who have convictions for crimes of violence or serious driving offences, and that is an obligation that is placed on everyone—rideshare, taxis, traditional hire car, tourist vehicles and the like.

**The Hon. MARK BANASIAK:** I will ask you to expand on that last comment, and I note that there was a task force that looked at the point to point report and recommended that categories of criminal and other offences that disqualify a driver from driving a point to point vehicle be clearly defined in the regulation. What are those categories? What are those types of offences? Can you just elaborate on those types of offences? I know you said violent and serious driving offences, but is there a little bit more clarification in terms of how serious those driving offences are or how serious the other offences are that would disqualify someone from either being a taxi driver or essentially a rideshare driver?

**Mr WING:** I can certainly give some examples and a general description. I should point out that any individual company can of course at any time refuse to employ someone or to allow someone to drive for them, but these are offences that would get you banned from the entire industry, from any company. Any convictions for assault, sexual offences, convictions involving children, drug and alcohol offences, and obviously more serious offences than those as well. For driving offences, a first offence for medium- or high-range drink driving is considered very serious; we do not want passengers in cars with drivers with those offences. A second offence for low-range drink driving within five years, two of those within five years, such a person cannot drive in the industry again at least until those convictions are spent. Also, those dangerous driving type offences as well.

**The CHAIR:** This might be a question for Mr Collins in relation to trains, but please, Mr Staples, if you want to, answer as well. Looking at the upgrades to automatic signalling across the network, has the automatic signalling upgrade been completed on the T4 and T8 lines and also are there other plans to expand that upgrade so that we would see automatic signalling along the Central Coast and Newcastle line, for instance?

**Mr STAPLES:** Just as an introduction, Transport for NSW is working very closely with Sydney Trains on the rollout of what is referred to as a digital systems program and that is very much designed at modernising,

and we certainly are starting on the T4 and T8 lines. Mr Collins can give you a bit more of an overview of the benefits that come with that and the overall status of the program, and if there is anything else I will fill in on that.

**Mr COLLINS:** Again, just a bit of background: We are continuing upgrading our traditional signalling system. When we put the trains every three minutes on the North Shore Line, for example, to match with metro's four minutes, we upgraded our signalling system, but that is of the traditional nature, standard interlocking. What we are now looking for is a digital, what they call European Train Control System. We have prioritised that, particularly on the Airport Line. I use that line quite often on a regular basis and certainly, as everyone knows, that has grown enormously in terms of customers on that line and particularly between Wolli Creek and Green Square where we have introduced eight staff on the platform to assist with boarding and alighting at many of those locations. That program is being worked through with our digital rail team—that is a joint team between Sydney Trains and Transport for NSW—and we are working with a number of designers and suppliers to ensure we can install that as soon as possible. That is the T8 line, that is the airport line. In terms of the T4 line, we are examining the capacity improvement because we know that is one of the lines that is seeing in the region of 130 per cent to 160 per cent increase in the number of users. We have identified that line as a potential area for upgrading the signalling system to a digital nature. We are also doing work, even at Mount Victoria, for example. We are making sure that when we upgrade the solid state interlocking system, we have the option of further upgrades into digital rather than buying a television, which is not compatible with digital. We have decided that we will move forward with the option of considering a procurement of user compatible, going forward. We are working through those.

From my experience, coming from the London Underground where we used a similar system to metro—the communications-based train control [CBTC] system, another digital system, what does it do? It gives us greater capacity, throughput and trains per hour. At the moment, the Airport Line, which was built around the 2000s or maybe just before the Olympics, had a very limited capacity for trains—roughly 10 trains per hour. That makes it pretty frustrating when you have a demand that is higher than that, and therefore we are prioritising, with Mr Staples and his Transport for NSW team, to focus on that line to get greater capacity.

**The CHAIR:** Improves reliability, improves capacity in terms of frequency of trains—

**Mr COLLINS:** Absolutely.

**The CHAIR:** So more trains on the line. Does it also decrease the total trip time?

**Mr COLLINS:** It creates the opportunity for greater reliability. For example, some of the modern trains are throttled back from their potential acceleration and braking profiles because of the current signalling system. It will allow us to use those greater acceleration and braking profiles, maybe obtain higher speeds. The other thing that I really want to talk about is safety. We have a lot of equipment on the track at the moment with traditional signalling systems and obviously an electronic system puts on board the computer on the train, a lot of the signalling system, and it has the passive equipment on the track. Therefore, it will improve safety for our staff. Less times for them to go onto the track, less time for even the trips and slips and falls during maintenance hours, and it certainly improves. There is a significant improvement in benefits.

**The CHAIR:** Back to the Newcastle and Central Coast line. I forget, is that T2? T1?

**Mr COLLINS:** Those lines have names, the Central Coast line. What we are doing initially with those lines, we are installing the automatic train protection [ATP] over speed system, which is an add-on function to ensure that we have trains that are protected against over speed. We have installed one of those in areas around Cockle Creek and we are running trains through that area under those new test conditions. My colleagues in Transport for NSW are rolling out that ATP program to ensure that we have that level of protection. That is the first level of improved signalling systems. In the long-term, really what this is about is high-capacity, high-volume railways, often referred to as heavy metro as opposed to ordinary metro or heavy rail, you need a higher volume. The thing, and you have been familiar with in London, is that the circle the Hammersmith, and City and the District line, pretty old-fashioned signalling systems, 30 per cent greater capacity now, being installed with a digital rail system, and therefore it really allows the existing railway to grow in its capacity.

**The CHAIR:** Are there plans then to put digital signalling onto the Central Coast and Newcastle line.

**Mr COLLINS:** I think there are plans, which I am sure Mr Staples may want to talk about or maybe he can talk in more general terms about upgrading and improving those lines. Some of the traditional signalling, some of that is about trackwork, some of that is about replacing the existing trains with a more modern fleet.

**Mr STAPLES:** We already have a digital train radio system that has been rolled out in recent years in operation across the network. In terms of taking the digital system that is being applied on the T4 and T8 lines,

because we are bringing a new technology into a system that has a history of 160 years, our focus is getting in and improving the technology, and learning the lessons on how best to implement it on this network.

**The CHAIR:** There is no current time land planned for the Central Coast and Newcastle line?

**Mr STAPLES:** Once we have made further progress around that, certainly our aspiration will be to think about where we roll that out across the network in due course. We will look at that in terms of where the needs are on the network at that time from a capacity and reliability point of view.

**The CHAIR:** Newcastle is one of the biggest cities in Australia and a major city in New South Wales. One of the figures that often gets bandied around as an indication of people's unhappiness with that line and the speed is that apparently it was actually a quicker trip from Newcastle to Sydney on the steam train in the 1920s than it is now. Coming from the Central Coast and being a commuter myself, I can empathise with those frustrations. I think they would like to hear that there is at least a plan or some sort of a timeline for reducing that commute time.

**Mr STAPLES:** There are probably a couple of levels to respond to around that and I might get Mr Collins to talk a little bit more about the issues that he is dealing with day to day in and around that area from an overall operational point of view. You are certainly not the first person to share the history of experience of Newcastle and what the travel time may have been at one time when it would run very fast and not stop very often between Newcastle and Central terminal. The service has been tailored and it has to manage a significant freight interaction on that network now so there is a lot of constraint on the timetable through that area, bearing in mind that we need to keep freight trains out of the Sydney metropolitan area from a capacity point of view.

But we are looking to the longer term about whether we just continue to improve the system on the existing corridor or whether or not there is more to be done through the faster rail program. We have some joint work with the Federal Government around investigations of improvements on the Sydney and Newcastle corridor. There is some work underway around that and once we have made further progress we will provide more information publicly.

**The CHAIR:** Before we go back to Mr Collins, I have just one more question I would be interested for you to respond to at the same time. A couple of years back I saw some modelling by a bunch of train engineers who were saying that you could halve the commute time between Central Coast, and Central and between Newcastle and Central with three adjustments to the line. The first one was digital signalling, the second one was to deal with some of these pinch points when freight trains could otherwise get in the way, and the third one was to introduce tilt trains like they have in Queensland. What would be your response to the feasibility of something like that?

**Mr STAPLES:** If there were nothing else running on the network then I could see huge advantage in all of what you say. But you have to remember that those trains have to navigate with freight trains and they have to navigate with suburban trains as well, and as soon as you have differentials in speed between systems you suddenly create significant capacity constraints—

**The CHAIR:** Need more lines.

**Mr STAPLES:** Yes. One of the wonders of Sydney as a location is that it sits within a landmass: Blue Mountains National Park to the south, Cooks River to the north. It is one of its great features in terms of the harbour but from an engineer's point of view, and I am an engineer, it is incredibly challenging. I contrast it with somewhere like Melbourne where it is essentially pretty flat as you leave Melbourne so it is much easier to create straight corridors and flat tracks to run fast trains, whereas we have some of the most significant engineering challenges to get in and out of Sydney. The faster rail that I talked about focuses on how we can overcome some of those constraints in the years and decades ahead. Just to highlight that there is certainly incremental things that we can do, but if you really want to make some changes, you have to take on some of those engineering challenges as well.

**The Hon. JOHN GRAHAM:** I want to turn to a roads project, the Western Harbour Tunnel and Beaches Link. Where are we up to in the process of decision-making around this project?

**Mr STAPLES:** At this stage we have been through a series of consultations with community on concept designs for that project that were released last year and community engagement processes have been underway around that. Mr Hardwick may have a couple of comments to make around that, but I think I can largely respond to it. We have been considering the feedback from that, and looking to update what we refer to as a "reference design". It is the process working where we have a concept, we show that to community, stakeholders and industry, we get feedback and we look to make some changes. We are actually going through some sort of final

decision-making with Government in relation to some of those things at the moment and investment decision processes. Once we are through that we will be able to confirm timing for an environmental impact statement and when that may go public.

**The Hon. JOHN GRAHAM:** That investment decision really needs to be made before an environmental impact statement will be issued?

**Mr STAPLES:** As a general practice that would be the case, yes.

**The Hon. JOHN GRAHAM:** Can you give us any guidance on the timing?

**Mr STAPLES:** Not specific at this stage I cannot. We are certainly working through the detail and there is ongoing conversation with government about that at this stage. We have a number of major projects in that space at the moment. We are sequencing them. As soon as we are in a position to give a date to the community we will be out there and giving them further information.

**The Hon. JOHN GRAHAM:** And the consultation legally finished in December, is that right, at the end of last year?

**Mr STAPLES:** It would be fair to say if you are a member of the community the last time you felt there had been an extensive engagement was last calendar year. Obviously the first half of this year we had the election and so forth. From our point of view it was best to let the election process run its course and not try and go out and consult about major project decisions at that stage.

**The Hon. JOHN GRAHAM:** We were given a time line at the last estimates, which was to say it would be dealt with in the first quarter of the year.

**Mr STAPLES:** That may be the case, I cannot specifically recall that. I guess our focus is these are like any of the big projects, they are large scale with large impacts in terms of construction. Taking the time to reflect on the feedback we get and review the scope and refine the scope I think is a really important investment in time at this stage in the project. Once we finalise that decision-making, government will be really keen to get out to the community and give them an update.

**The Hon. DANIEL MOOKHEY:** Mr Staples and/or Mr Draper, it was the case in respect to the assurance framework requirements for those two projects that my colleague mentioned that the advice we received last year was that all such processes were completed and therefore there was a final business case that was available to the Government to make its investment decision. That remains the case?

**Mr STAPLES:** Just to be clear, I guess that was probably right at the time, but having received some of the community feedback on the scope of the references these things tend to run in parallel where you start off with a concept of a project scope, you start to work on the business case, the technical and engineering work in and around that scope and you start to get all of that detail work done, do the economic analysis and so forth. In parallel you continue to run the consultation. I think upon reflection having received the feedback from community it is worth pausing and making sure that we have updated the scope and can update the final business case and provide that to government.

**The Hon. JOHN GRAHAM:** I want to follow-up on the issue about On Demand buses. You heard the Minister's answer. I want to ask Mr Staples, did you or any of your colleagues sign-off on a briefing on On Demand buses that made reference to this trial in Eden and Calendula?

**Mr STAPLES:** Thanks for that question. I would have to say as a general rule we have not come with a lot of information about the regional On Demand trials today because I guess we regarded that as something Minister Toole would receive more. Given the questioning this morning I do have a bit more information that I sought around the Sapphire Coast and Ms Mildwater is pretty familiar with the process, notwithstanding she is focused on Sydney. I might get her to talk for a couple of minutes about the process we have gone through for On Demand as a whole because I think you will find that is a really important context and then I can talk about the specifics of the recent changes.

**Ms MILDWATER:** The On Demand process was run in two tranches, one for the Sydney metropolitan area and one for regional and rural. We started the Sydney and outer metropolitan process in 2016 and awarded 11 trials. The way the process worked was we did not specify areas or technology or vehicle type or anything like that, we left it to the market to bid things in. That was the same in both processes. Those trials were awarded in six-month blocks. Each contract is for six months but can be renewed up to three times up to two years. They were all sort of in the same framework. Two separate processes. We got the city ones going first and then moved into the rural and regional ones, but it was essentially the same process for both lots of trials.

**Mr STAPLES:** Our approach to those trials is one that we want to improve the overall customer outcomes in these areas. The fact that they are market-led is really good because it is coming from operators that are dealing with the customers day in and day out on the ground. In terms of the Sapphire Coast one, the bus company that is operating down in that area proposed this. It was originally a pilot that commenced on 27 November. In the main these pilots have gone for one to two years. We certainly do review them every six months but it would have been unusual to stop a pilot so soon after it has commenced, to be honest. What we have done in this particular instance, around May of this year we looked at it. Yes, relatively low patronage on that. Usually what we do at that point is we stop it or reconsider the way the service is being offered. We had conversations with the operator around that and we decided to make an adjustment to the service offer to see whether or not that would change the experience. We are at the point now of giving that opportunity to see whether that will improve.

**The Hon. JOHN GRAHAM:** Thank you for that information. I indicate I might come back to this in the regional transport estimates.

**Mr STAPLES:** That is fine.

**The Hon. JOHN GRAHAM:** I do want to press my question, did you or any of your colleagues sign-off on a briefing about On Demand buses that made references to this trial?

**Mr STAPLES:** That certainly would have been an internal approval.

**The Hon. JOHN GRAHAM:** It went to the Minister or the Minister's office?

**Mr STAPLES:** I would have to check exactly where it went. If it certainly went to a Minister my expectation would be it would have been Minister Toole. Most of this trial was intended to be done at a departmental level in terms of the decision-making around that. Ms Mildwater outlined this year is a learning exercise for us about how we can improve.

**The Hon. JOHN GRAHAM:** You can take that on notice. Do any of your other colleagues want to contribute briefly at this moment?

**Mr STAPLES:** I would not have thought from a process point of view that they would have that information.

**The Hon. DANIEL MOOKHEY:** Mr Gilfillan, can we return to the questions I asked before. I think we learned in the earlier questioning that the Ports Authority has been engaged in a market sounding process for the proposition that you construct a terminal in Yowie Bay or elsewhere. When did that process begin?

**Mr GILFILLAN:** About a month ago.

**The Hon. DANIEL MOOKHEY:** And what does it involve?

**Mr GILFILLAN:** It involves an informal discussion between my executive staff involved in planning and with senior executives of the cruise lines just to test their interest in whether they want to play an active role in the delivery of a new facility.

**The Hon. DANIEL MOOKHEY:** This was initiated by the Ports Authority?

**Mr GILFILLAN:** Yes.

**The Hon. DANIEL MOOKHEY:** The process you just described, from which policy did you derive that process?

**Mr GILFILLAN:** That process is a normal process that we would follow with any major project. It is to determine whether the concepts that we have developed are at all acceptable to the industry that is going to have to use the facility. With cruise lines you can build a facility and they will not come.

**The Hon. DANIEL MOOKHEY:** Of course.

**Mr GILFILLAN:** We are at a point where we have determined that technically it is feasible to build a facility down in the Yowie Bay area. The next logical phase is to see whether if that was progressed further in detail would the cruise industry be interested in using it.

**The Hon. DANIEL MOOKHEY:** I accept that. You are a state-owned corporation, is that correct?

**Mr GILFILLAN:** Yes.

**The Hon. DANIEL MOOKHEY:** As a state-owned corporation are you subject to the New South Wales Government procurement framework?

**Mr GILFILLAN:** We follow those guidelines.

**The Hon. DANIEL MOOKHEY:** Are you subject to the New South Wales Commissioning Contestability guide?

**Mr GILFILLAN:** I am not aware of whether that applies. We are encouraged to follow procurement guidelines of the New South Wales Government but we are not compelled to.

**The Hon. DANIEL MOOKHEY:** As a state-owned corporation you are subject to the New South Wales Treasury commercial framework, is that correct?

**Mr GILFILLAN:** Correct.

**The Hon. DANIEL MOOKHEY:** Your shareholding Minister is who?

**Mr GILFILLAN:** The Treasurer and the finance Minister. Mr Perrottet is the primary.

**The Hon. DANIEL MOOKHEY:** And the New South Wales Commissioning Contestability guide is a policy that Treasury says applies to all New South Wales Government agencies. I am wondering about whether that includes state-owned corporations or not?

**Mr GILFILLAN:** I cannot confirm it does.

**The Hon. DANIEL MOOKHEY:** Can you take that on notice?

**Mr GILFILLAN:** I will take that on notice. The process we are following is an informal process.

**The Hon. DANIEL MOOKHEY:** I ask that because both those policies actually specify formal processes by which market sounding ought to be undertaken. What steps have you undertaken to check that you are complying with all New South Wales Government policies when it comes to the conduct of market sounding processes?

**Mr GILFILLAN:** We have dialogue with our Minister's office over the process that we are following. There is an understanding whether it is a formal or an informal process.

**The Hon. DANIEL MOOKHEY:** Have you had dialogue with the Minister's office about—

**The Hon. WES FANG:** Point of order: The witness is trying to answer the question.

**The Hon. DANIEL MOOKHEY:** He answered it.

**The Hon. WES FANG:** No, he is answering the question and you keep jumping in. General politeness would indicate you wait.

**The Hon. DANIEL MOOKHEY:** I will be polite, Mr Fang. Have you had dialogue with the Minister's office about the market sounding process that you are currently engaged with?

**Mr GILFILLAN:** We have had discussions with our Minister's office about a process we are following, which is to have informal discussions with cruise lines—informal discussions with cruise lines.

**The Hon. DANIEL MOOKHEY:** I understand.

**Mr GILFILLAN:** The term "market sounding" is only terminology we would use internally to define the fact that we want to assess whether the cruise lines have an appetite at all to want to be involved in the next phases of the process.

**The Hon. DANIEL MOOKHEY:** To be clear, which Minister's offices have you had those discussions with?

**Mr GILFILLAN:** Minister Constance.

**The Hon. DANIEL MOOKHEY:** When did you have a discussion?

**Mr GILFILLAN:** My staff have been having those discussions, including my executive general manager of Commercial, Technical and Legal, who I mentioned before, Mr Brad Milner. It also involves my harbourmaster in Sydney, Philip Holliday, who is the chief operating officer and responsible for cruise across the whole of New South Wales. As well as Ed Martin, who is the person responsible for any communications that may be required.

**The Hon. DANIEL MOOKHEY:** Have you provided any written briefings or correspondence to the Minister's office in respect to the process that you just described?

**Mr GILFILLAN:** Not that I am aware of. It is still an informal discussion that has only just commenced with cruise lines.

**The Hon. DANIEL MOOKHEY:** Those discussions that you mentioned were had by three of your staff, were they with the Minister's chief of staff or with the Minister's policy advisers or with the Minister himself?

**Mr GILFILLAN:** I am not aware, but I can take that on notice.

**The Hon. DANIEL MOOKHEY:** When did they begin?

**Mr GILFILLAN:** From my recollection, about a month ago.

**The Hon. DANIEL MOOKHEY:** What views were expressed by the Minister's office?

**Mr GILFILLAN:** I am not aware that the Minister's office would have expressed any view at this point in time because we would not have briefed the Minister about how those discussions had been progressing.

**The Hon. DANIEL MOOKHEY:** In your contact with cruise operators, you mentioned that you had discussions with Royal Caribbean. Have you had discussions with Carnival?

**Mr GILFILLAN:** Yes.

**The Hon. DANIEL MOOKHEY:** Have you had discussions with Norwegian?

**Mr GILFILLAN:** Yes.

**The Hon. DANIEL MOOKHEY:** When did they take place?

**Mr GILFILLAN:** I do not know the dates. I can find out if you wish.

**The Hon. DANIEL MOOKHEY:** How many have you had?

**Mr GILFILLAN:** I do not know how many discussions have taken place, they are informal.

**The Hon. DANIEL MOOKHEY:** When did they begin?

**Mr GILFILLAN:** A month ago.

**The Hon. DANIEL MOOKHEY:** With all three?

**Mr GILFILLAN:** Progressively. They cannot all be done in one day so they have been progressive. When they are available to have a conversation—a conversation to commence a process to find out whether the cruise lines wish to become involved in a process to determine the viability of a cruise terminal. It is not a formal process. It is not expected to lead to them putting forward a proposal. It is just to find out whether there is an appetite there to enable us to advise the Minister what the next steps might be.

**The Hon. DANIEL MOOKHEY:** At what level are you having that dialogue? Is it directly with you and the cruise operators or is it your staff who undertake it?

**Mr GILFILLAN:** No, it is the people I just quoted to you, who are my senior staff who are having those discussions because they are the people who understand the technical issues associated with developing a cruise terminal—the logistics issues, the size of ships, the issues to do with the wave motion and a whole range of things that need to be extracted from the cruise lines. This will not be the first time that we have spoken to cruise lines about this—it is an ongoing dialogue. We are running a business that involves an industry that we have to work very closely with.

**The Hon. DANIEL MOOKHEY:** When do you expect the market sounding process to end?

**Mr GILFILLAN:** Within the next month or two.

**The Hon. DANIEL MOOKHEY:** What are you expecting it to yield?

**Mr GILFILLAN:** To yield an indication of whether the cruise lines want to contribute in some way towards how we might proceed to the next stage of developing a detailed business plan.

**The Hon. DANIEL MOOKHEY:** So far in your discussions with them, have they expressed the desire to do that?

**Mr GILFILLAN:** No, we have not had any specific feedback. We have given them an indication of our willingness to allow them to come forward, but at this point in time there has been no direct feedback.

**The Hon. DANIEL MOOKHEY:** How frequently are you envisaging contact with them over the next month?

**Mr GILFILLAN:** It could be several times a week

**The Hon. DANIEL MOOKHEY:** Is it by phone? Is it in person? Is it by email?

**Mr GILFILLAN:** With the local representatives, who are relatively senior operational people, it could be face-to-face meetings at their offices in North Sydney.

**The Hon. DANIEL MOOKHEY:** In the course of those discussions that you had, you mentioned before that Royal Caribbean had expressed some interest?

**Mr GILFILLAN:** Yes.

**The Hon. DANIEL MOOKHEY:** What interest did it express?

**Mr GILFILLAN:** It wants it to happen quickly.

**The Hon. DANIEL MOOKHEY:** What else did it express?

**Mr GILFILLAN:** It is prepared to contribute money if there is an appropriate mechanism to do that.

**The Hon. DANIEL MOOKHEY:** What would it define as "an appropriate mechanism"?

**Mr GILFILLAN:** It hasn't.

**The Hon. DANIEL MOOKHEY:** Is that something that it would like to be in dialogue with you about?

**Mr GILFILLAN:** It would, and it probably will be in due course.

**The Hon. DANIEL MOOKHEY:** How do you envisage that dialogue taking place? Is it going to continue along this informal sense or is it going to be a formal process?

**Mr GILFILLAN:** No, we will obviously reach a point where it needs to be formalised and that will be a process where we will be advising the Minister of the dialogue we have had, and the Minister's office will be able to provide us with guidance on how he wishes to proceed.

**The Hon. DANIEL MOOKHEY:** Are Mr Martin and/or Ms Bennett involved in those discussions with those companies directly?

**Mr GILFILLAN:** Mr Martin would be if it was an issue to do with communication.

**The Hon. DANIEL MOOKHEY:** Are minutes or records kept of those discussions?

**Mr GILFILLAN:** They are informal so there would not be formal records kept of them.

**The Hon. DANIEL MOOKHEY:** In the conversations that you have had, either with the Royal Caribbean, Carnival or Norwegian, is there anybody else you have spoken to?

**Mr GILFILLAN:** I am not aware. There are other cruises—

**The Hon. DANIEL MOOKHEY:** Because they are the world's three biggest.

**Mr GILFILLAN:** They are the large ones but if any other cruise line wishes to come along—we have informally spoken to all of them and asked if they wish to have a dialogue with us.

**The Hon. DANIEL MOOKHEY:** Have you or your staff or anybody from the Port Authority of New South Wales or, for that matter, anyone in either of those three lines, identified the unsolicited proposals framework as being an option to progress the development of those discussions.

**Mr GILFILLAN:** No, we have not looked at that. We have not expected that or sought an unsolicited proposal if that—

**The Hon. DANIEL MOOKHEY:** Have they expressed an interest? Given that you just said that Royal Caribbean would be prepared to proceed quickly and make a financial contribution, has it identified that is the way in which it would like to proceed?

**Mr GILFILLAN:** It has identified that there might be a number of different ways of approaching it from its perspective in the discussion we had two days ago.

**The Hon. DANIEL MOOKHEY:** That is interesting, Mr Gilfillan, but I asked you specifically about that one—

**Mr GILFILLAN:** About an unsolicited proposal?

**The Hon. DANIEL MOOKHEY:** Has it identified that as something it would like—

**Mr GILFILLAN:** It said that was an option it could pursue.

**The Hon. DANIEL MOOKHEY:** You said that it had identified a number of them? What were the number? What else did it identify as a way forward?

**Mr GILFILLAN:** Down the pathway of a solicited proposal, down the pathway of a joint venture—a partnership with the Port Authority of New South Wales, down the pathway of the Port Authority of New South Wales delivering it in its entirety providing it is delivered within the time frame that it is seeking. It has become impatient.

**The Hon. DANIEL MOOKHEY:** What time frame is it seeking?

**Mr GILFILLAN:** As quickly as possible.

**The Hon. DANIEL MOOKHEY:** Have you sought or will you seek advice as to whether or not the unsolicited proposals process is a viable way forward for this?

**Mr STAPLES:** I might just provide a bit of oversight on processing because there is a more strategic context around this and it is important that I get the opportunity to say this. The context around this is that we released an overall cruise passenger strategy last year, which was out there for industry and stakeholders to understand that there is a pressing need for Sydney to think about what its cruise terminal facilities are in the future. We have been open about the prospect of the facility that the Port Authority of New South Wales is looking at. I would expect, without knowing the details of the particular process that Mr Gilfillan has been talking about, if you are doing a strategic business case it is an obvious thing that you would engage with industry about the appetite and so forth—

**The Hon. DANIEL MOOKHEY:** Mr Staples, I was just about to ask about the interaction of the process—

**Mr STAPLES:** In terms of the unsolicited proposal process, we ultimately direct parties to the Department of Premier and Cabinet and there is a very good reason for this: So that there is some independence. If a party wishes to prepare an unsolicited proposal process, our approach is to direct them to the Department of Premier and Cabinet around how to navigate that process. Then is its choice to do that.

**The Hon. DANIEL MOOKHEY:** I do appreciate the context, Mr Staples, but I did have a whole series of detailed questions that were going to go to precisely the points that you are addressing. It is welcome information but I was already intending to approach that, so if it is possible I will continue my questioning and in the course you might wish to add to that. Mr Gilfillan, you identified that Royal Caribbean expressed a view and a time frame that it be conducted urgently. I did ask you if you will seek advice as to whether the unsolicited proposals is a viable way forward for the development of this. Can you add to that question?

**Mr GILFILLAN:** When the Port Authority of New South Wales itself is not in a position to determine whether an unsolicited proposal or a joint venture or a partnership or anything of that nature is within our remit to proceed with—

**The Hon. DANIEL MOOKHEY:** I asked about the appropriateness of—not whether you can or whether you have the power to. There is a distinction.

**Mr GILFILLAN:** I do not have to comment on whether or not I think it is appropriate. That is not my position. We know that there will be further dialogue between very senior executives in government and that is where it should take place. We are a facilitator of this. We are carrying out the dialogue because we had the technical expertise to bring the parties together.

**The CHAIR:** I will step ahead of the Hon. Mark Banasiak while he is out of the room. Back to trains, are there any plans to increase the capacity of the City Circle?

**Mr STAPLES:** I will hand to Mr Collins to talk a bit about the performance of the City Circle. From an overall network strategy point of view, certainly the City Circle is under significant capacity constraint. It is actually one of the key benefits of the Sydney Metro program, because there are a number of different lines that feed into the City Circle, one of which is the Bankstown line. You have the Bankstown line and the south-west services from Campbelltown and Macarthur that are all competing for space on the City Circle line. One of the really strategic advantages, which is often misunderstood, with the Sydney Metro program is that we are creating space on lines such as the City Circle by upgrading and providing modern technology on the Bankstown line. Mr Collins may wish to expand on that.

**Mr COLLINS:** Yes, I could not have said it better myself. It is important that we are trying to squeeze a number of branch lines to spin around the City Circle. Taking one branch line off, like the Bankstown line, will allow us to run more trains on more of those sector areas through the City Circle. But it is true, a bit like the Circle line in the UK, we do intend and have already been examining the early stages of applying, as I said earlier, the digital signalling system across the network where there is greater congestion. T8-T4 is the top priority, but we do believe that the City Circle will be within that context. As Mr Staples said, one of the benefits of the Metro City and Southwest coming online is that it will be appropriate at the time when that is in place for us to consider, whilst we have to do these things normally without disrupting passengers—carrying out open-heart surgery while running a marathon is my overused analogy—that is what we have to do on our network. Having another core rail network through the city, north to south or south to north, will allow us to consider upgrading and having more capacity during that time.

**The CHAIR:** For the layperson, can you explain that to me? What you are saying is that, with the metro, instead of all of the services coming into the City Circle and then people having to change and get onto something else to go somewhere else, we would bypass the City Circle with the metro plans. Is that the idea?

**Mr COLLINS:** Yes, we basically turn around in either a clockwise or an anticlockwise fashion a number of services that come in from a number of parts of Sydney. If you follow the map, you will see that one of those is that the Bankstown line does go around the City Circle. It allows us, when we do not have to service the Bankstown line and it is a dedicated end-to-end line segregated from the scramble of the macrame of the Sydney trains network, to have a much more simple network and gives us more capacity. Instead of those Bankstown trains travelling around the City Circle, those customers, who are growing in number, will actually travel on the metro line, a completely separate corridor. If you want to get to Wynyard, for example, or somewhere similar, there are numerous stations—Pitt Street down the road from Town Hall, Barangaroo right next to a big development—where you will take that metro line if you are going from Bankstown straight into the city. You will not need to get on the City Circle line, and that allows me to run other services, particularly on the airport line, for example, and allows other services that use the City Circle line. In overall terms, we do intend to up the number of trains per hour, which is really our objective—the same as other railways—from what is really a capacity of 16 trains an hour on the current network around the City Circle to 20, if not 24.

**The CHAIR:** My last question on trains for the time being, are there any plans or discussions underway to privatise or franchise the existing publicly operated rail services?

**Mr STAPLES:** No.

**The CHAIR:** I like that answer. Moving on to buses, how many complaints has the department received from the public concerning inner west buses since Transit Systems has been operating the buses?

**Mr STAPLES:** I might pass to Ms Mildwater, who has oversight, as I indicated in my introduction, of all the transport modes across greater Sydney including the management of the bus contracts. She will have some high-level information and she may need to take the detail on notice.

**Ms MILDWATER:** I will have a look. I could get for you the exact number of complaints, but I will say they are trending downwards. Transit Systems customer satisfaction is holding quite steady and its other metrics are improving. Since it took over the contract in July last year, its patronage has grown by almost 20 per cent, which is a significant jump at the same time as holding its metrics. It has added 270 extra services so far with about 400 extra drivers and has decreased cancellations. I could get you the exact number of complaints, but I can tell you that they are trending downwards.

**The CHAIR:** If you could take on notice to get the number of complaints for the last several months, whatever you think would be useful, that would be very good. What oversight does the department or the Government have of the number of complaints coming in and how do you respond when you see a spike in complaints?

**Ms MILDWATER:** The complaints for all of our services are managed centrally through Transport for NSW. We produce reports internally analysing if there are trends or whether there are specifics. This is part of the feedback that we use when we consider whether we need to introduce additional services on any particular routes, because they might give us insights into, for example, where we do need to increase services because of overcrowding due to increased patronage. In terms of specific complaints, I might throw the question to Mr Faurby for STA, because sometimes if you receive a complaint and it is very specific, we will respond to that directly through the particular operator. But we do also, as Transport, analyse all complaints. Particularly what we are looking for are trends and issues we can address through changes to the services.

**Mr STAPLES:** Before we go to Mr Faurby I want to emphasise that, while we have a number of contracted services, the way we have set ourselves up is to make sure we get transparency on customer complaints using the 131 500 line and various channels to consolidate things so that we get very good visibility of the complaints that come in from our customers. We take all of those seriously and we engage with the operators around that. I know we have taken on notice the number of complaints in the region six area, but we must be careful not to associate that, because the service has changed, with who the operator is. As part of that contracting regime, we went through a significant change in the service offer as well and a substantial increase in the number of services in region six. It is fair to say, just like we said earlier, when we started changing services in the north-west of Sydney, some customers get significant benefit out of that and others not so much. It is some elements of the service change that will then be associated with the complaints.

**The CHAIR:** Before we move along, some of the most concerning aspects, other than customer services, in relation to which I am sure there are substantial complaints, are also complaints about buses speeding down residential streets and poor driver performance. Do you have any statistics on the percentage of complaints along those lines?

**Mr STAPLES:** I will take on notice anything in relation to region six, but Mr Faurby, as the operator of bus services, can probably give you some insight on how they manage those things and how they get visibility of those overall.

**The CHAIR:** That would be great.

**Mr FAURBY:** We certainly need to get lots of information and it is an incredibly important way to understand how we, as bus operators, actually operate and how customers perceive us, whether it is State Transit or any other bus company. As the head of State Transit, I get the insights into what our customers tell us. Some of those are complaints and some of those are compliments. They are categorised, as you suggest, into reasons such as the bus being late or the bus being early, customer service or a number of other such categories that we are able to provide further details about. In the case of State Transit, we have seen in the last year compared to the year previous a drop in complaints of 28 per cent, which is obviously an indication of service levels. At the same time we have seen an increase in compliments. We are certainly using that information to adjust our service provisions, our network and our business. I am sure any other bus operator would do the same.

**The CHAIR:** Thank you. I will come back to you a bit later, Mr Faurby.

**The Hon. MARK BANASIAK:** I will just go back to the point to point report and some of the recommendations. There was a recommendation that the regulations on the quality of point to point transport services be removed, including those covering the presentation, conduct and training of drivers; the testing relating to the geographic knowledge and understanding of the regulation by the driver; specifications for vehicles used to deliver point to point services; vehicle inspections for quality and comfort standards; and maximum age limits for vehicles used to deliver taxi services. Can you explain the rationale behind the removal of standards and how that would actually improve customer service?

**Mr STAPLES:** I will get Mr Wing, as the person who day-to-day manages the oversight of the point to point service, to talk further around this. It would be fair to say, I think, for some stakeholders it is a shift in thinking in the way we go about managing services and the oversight from being very specific tasks to more of a step back and an overall big-picture view and making sure that the responsibilities sit in the right places.

It is not unique. Another example we have applied in recent times is the chain of responsibility laws around heavy vehicle management and making sure, right to the top of an organisation, there is an accountability around the maintenance of vehicles as well as the oversight of drivers and their appropriateness to be driving vehicles—fatigue and so forth. We are taking similar principles in the point to point, but I will get Mr Wing to talk a little bit further about that.

**The Hon. MARK BANASIAK:** Before you do, how can you push the accountability or responsibilities when you are reducing standards in terms of what they need to adhere to? They are not accountable if there is no standards. You are removing them.

**Mr STAPLES:** No. It is a different approach. It would be fair to say it is not a reduction. I want to emphasise that this is not a reduction in safety. In fact, making sure people are very clear about their accountability and they cannot just step back and say, "I've had an inspection, therefore I don't need to worry". They should be constantly vigilant around their accountabilities on safety in this regime. It sets them up for that. Mr Wing can give a little bit more of an oversight on that.

**Mr WING:** The new laws removed a lot of the prescriptive, non-safety rules about how a service could be delivered and they allowed a whole lot of new and different types of services to be delivered, which included rideshare services, for example. That gave a lot of different options and choices to customers. The effect of that was that there was a great deal more competition, which had a very beneficial effect on service. Instead of the regulation saying exactly what kind of service is provided and having prescriptive rules about what kind of uniforms might be required, it was the effect of competition that changes what kind of service is required.

The effect of that has been a great expansion in choice for customers. Even since the laws commenced in November 2017, the number of actual service providers has increased from 1,660 to over 2,100—so about 500 more service providers in the market. The number of drivers who are working in this industry has gone up to about 110,000. That is an increase of over 40,000 in that same period of time. The number of customer trips, based on leviable trip data, is now about 75 million a year. It was estimated by reports from groups such as the Independent Pricing and Regulatory Tribunal that before the reforms started about 50 million trips would have been done a year.

Customers are getting a lot more benefit and taking a lot more trips, which suggests they like the services they are getting. Customer satisfaction has gone up in that time. Customer satisfaction has gone up for both rideshare and taxis. There is a lot of competition now. Instead of providers, including taxi providers, complying with regulations to the minimum extent, all parties in the industry now are actually competing to provide good service and we are seeing customer satisfaction go up across the industry.

Things that were not removed were the safety rules. In fact, as we discussed earlier, there was a doubling down on safety because it was made clear that it was no longer acceptable for the companies themselves at the top of the chain—the taxi companies, the Ubers, the Olas or whoever—to wash their hands of safety issues and say, "That is a problem for the driver", "That is a problem for the vehicle owner." Now they are held accountable. General duties are placed on them—very broad general duties—as occur under chain of responsibility laws or under workplace health and safety laws, so that, in addition to the driver and vehicle owner having to be safe and having safety obligations, the parties at the top, who are actually the ones who can run systems that make sure checks are done on drivers, make sure checks are done on vehicles, are themselves held accountable and under very serious penalties if they do not.

**The Hon. MARK BANASIAK:** In going to some of those safety requirements, I will read through a bit of a comparison between taxis and rideshare. Taxis must have four doors, which is not a requirement for Uber. Taxis must be fitted with security cameras, which is not a requirement for Uber or rideshare. Taxis must be fitted with a duress alarm system, which is not a requirement for rideshare. Taxis must be fitted with in-car GPS tracking, which is not a requirement for rideshare. Taxis must be fitted with safety release systems. The maximum age for taxis was six years; that was removed.

Taxidriviers are to be appropriately trained; that was removed. Taxidriviers are to be appropriately licensed for passenger transport. A standard licence only is required for Uber. Taxidriviers are to have bona fide health checks; that is not a requirement for Uber drivers or rideshare. Taxidriviers are to retain a national minimum English standard, which is not a requirement for rideshare. Taxidriviers are to wear uniforms, which is not required for rideshare. Taxidriviers have to display a bona fide in-car driver identity, which is not a requirement for rideshare. Taxis have regulation requirements for air conditioning, driver protection and child restraints; that was removed. Taxis have a regulation to ensure that the vehicle interior, exterior and fittings are in good condition, clean and undamaged; that was also removed.

Taxis are required to carry guide dogs for the blind. We have seen instances where rideshare have repeatedly refused to deliver those services. What else do we have? Booked fare pricing can be an estimate, not a firm price. That raises some concern. It seems to me and to a lot of people that there are actually two levels of standards when it comes to safety and service—a level of standard that the taxi industry has always complied with

in most cases and then a level of standard and service that has been dropped to accommodate rideshare. How would you respond to those comparisons?

**Mr WING:** That was a long list of comparisons. I shall just raise a couple. Actually, there is not a difference between the standards we require of drivers. All are required to get a commercial driver standard licence with a Passenger Transport code on it. That is true for all drivers in this industry. There are some additional safety requirements required of taxis and that reflects the fact that rideshare was not allowed to do rank and hail service. That is to say they are not allowed to pick up anonymous strangers off the street. You must have a booking to be a booked service provider, and then the standard rules and the existing rules we discussed earlier around vehicles apply, including having a proper maintenance system et cetera, but only taxis are allowed to do anonymous pick-ups off the street or off taxi ranks.

As a result, the additional safety requirements apply, particularly cameras. Security cameras are required, and that is for the protection of the passenger in an anonymous trip and also for the driver's protection, given that the passenger who gets into the vehicle is not known because they do not make a booking. Duress alarms, for exactly the same reason, are still required. Those are really the additional safety requirements that exist because taxis, and only taxis, are allowed to pick up strangers off the street.

**The Hon. MARK BANASIAK:** How would you respond to claims from the taxi industry that that rank and hail recommendation is being ignored quite broadly and they are pulling into taxi ranks and picking up customers that they are not aware of?

**Mr WING:** We certainly investigate any allegations of that but, at the same time, we have not seen a major issue where they are picking up strangers. We would certainly take that very seriously, just as we would take seriously any suggestion that there were other breaches of things that went to safety.

**The Hon. MARK BANASIAK:** Would you not say that the use of security cameras would be good practice in terms of protecting rideshare and Uber drivers? Despite the fact that someone has booked online via an app, they are still an unknown person, and you could argue that they could potentially get themselves into strife if an accusation has been made by a customer about inappropriate behaviour. How can they prove or disprove that? Do we not have a duty of care to ensure that those people who are employed in that industry are actually afforded some protection as well?

**The Hon. WES FANG:** I am not sure how this is estimates.

**The Hon. MARK BANASIAK:** There is a very broad view of questioning, Wes. Did you know that? If you have a point of order, you can call it.

**The CHAIR:** Mr Wing, did you want to respond to that?

**Mr WING:** Only to say that the requirements for the additional security cameras in taxis are very much based around the fact that there is no booking, it is purely anonymous, and have been there for a long time and for exactly that reason, that they protect customers and they protect drivers.

**The CHAIR:** Before I go to the Opposition, I will check whether the Government has any questions.

**The Hon. SHAYNE MALLARD:** As much as we would like to ask questions about Opal fares and customer satisfaction, we will relinquish our time.

**Mr STAPLES:** Chair, could I return to the honourable member Graham around one matter that he raised which we took on notice? I will not take too much time. He asked a question about the process for on-demand, the signing and briefing notes, and so forth, and I just sought some clarification. It was signed off at an executive director level within Transport for NSW, so it was not signed off at deputy secretary, secretarial or ministerial level, and I am not surprised by that because we have a small team engaged with that market, working on that, and they are the ones empowered to make those decisions.

**The Hon. JOHN GRAHAM:** Thank you for that answer. I might hand to my colleague.

**The Hon. DANIEL MOOKHEY:** Mr Staples, on that particular answer that you just gave to my colleague, which Minister did that briefing go to?

**Mr STAPLES:** It does not go to a Minister. Just to clarify, it was signed off at an executive director level, so that is a level below deputy secretary within Transport for NSW.

**The Hon. DANIEL MOOKHEY:** Sorry for my confusion.

**Mr STAPLES:** We are giving the opportunity for those people to make those decisions around what is the appropriate service.

**The Hon. DANIEL MOOKHEY:** Mr Gilfillan, when do you forecast that the business case process you just outlined will be completed?

**Mr GILFILLAN:** You are giving the person with the difficult voice the most to say.

**The Hon. DANIEL MOOKHEY:** I am sorry. If it helps, I feel your pain.

**Mr GILFILLAN:** The current process we are in is to just ensure that we have cruise line support for the general concept of what we are trying to do and, subject to whole-of-Government approval, we will proceed into a detailed business case.

**The Hon. DANIEL MOOKHEY:** Just to relate that to the IIAF, or the Infrastructure Investor Assurance Framework, are you at gate zero or gate one?

**Mr GILFILLAN:** I do not know what gate we are at.

**The Hon. DANIEL MOOKHEY:** Mr Draper, are you able to shed any light on that?

**Mr DRAPER:** Maybe to help, gate zero would be just a basic needs analysis, so establishing that there is a need and a strategy. Gate 1 is the strategic business case and Gate 2 is assurance of the full business case.

**The Hon. DANIEL MOOKHEY:** Are you commissioning the production of a strategic business case for the purposes of the IIAF?

**Mr GILFILLAN:** Yes.

**The Hon. DANIEL MOOKHEY:** When do you foresee that that process will begin?

**Mr GILFILLAN:** That process will begin within the next month.

**The Hon. DANIEL MOOKHEY:** Is it the case that a proposal that is pursued through the unsolicited proposals process effectively circumvents the Infrastructure Investor Assurance Framework?

**Mr GILFILLAN:** There has been no unsolicited proposal.

**The Hon. DANIEL MOOKHEY:** That was not my question. My question was, and I will ask it of you, Mr Draper: Does an unsolicited proposal in accordance with the New South Wales Premier and Cabinet process, which I believe you are now in a cluster as well, effectively circumvent the Infrastructure Investor Assurance Framework? How do the two interact?

**Mr DRAPER:** The investor assurance framework is designed to provide assurance to Cabinet around State investments, public investments, whereas an unsolicited proposals process may involve a private party offering a service or making an investment, so that would not necessarily go through our assurance process. If it involved us making a co-investment or something of that nature then it probably would go through our process, but if it is purely a private investment or private service provision then our framework would not necessarily apply.

**The Hon. DANIEL MOOKHEY:** As a result of that, should we find ourselves in a scenario where Royal Caribbean decides to build it, it is the case that Transport for NSW, Treasury, and all the other agencies which the Infrastructure Investor Assurance Framework mandates be involved, need not, and as a result of that is it not the case that the opportunity for the community to be involved in that process is also rapidly diminished, unless of course, to be fair, such a requirement is made in the unsolicited proposals policy as a requirement for the thing to proceed? Is that correct?

**Mr DRAPER:** Not really, no, that is not correct. The unsolicited proposals process has its own steps, I suppose you would describe it, of supervision, so there is a committee that looks at those proposals. They are elevated for Cabinet approval separately, so in some ways it replicates our own assurance process, but it does not go through our process.

**Mr STAPLES:** Can I add to that?

**The Hon. DANIEL MOOKHEY:** Yes.

**Mr STAPLES:** There are very different forms of unsolicited proposals. Sometimes we receive something I would describe as out of left field, where we are not even considering doing anything in terms of investment somewhere. Occasionally that arises from someone. I guess an example would be Wynyard station,

where we have a new development going in. That just came from one party; we were not proposing to do any improvements there.

**The Hon. DANIEL MOOKHEY:** And Martin Place?

**Mr STAPLES:** Martin Place was different, and this is more akin to the sort of process that we confront here, that we actually have a project that we are considering going ahead with. In fact the metro at Martin Place we were definitely going ahead with, but this is clearly a question still, as I said, for a strategic business case that we will go ahead with, and if we do receive an unsolicited proposal, that would run alongside any government consideration at this stage. But, to be honest, we are really speculating here around possible scenarios as opposed to anything that is real or in front of us at the moment, and it will depend on the nature of the proposal that is put to us as to how we would manage consultation and so forth, but clearly there would be a level of community engagement in anything we do on that.

**The Hon. DANIEL MOOKHEY:** Of course. Mr Gilfillan, the last question on this is: Was a prominent purpose of Mr Martin and Ms Bennett being appointed to drive forward the Yarra Bay cruise terminal and engage with the market in the manner that you have described in order to facilitate an unsolicited proposal?

**Mr GILFILLAN:** Absolutely incorrect. Both Mr Martin and Ms Bennett were hired because they are the best persons for the job that I identified needed to happen, and they are very broad ranging jobs, and the issues that you have raised are only one issue or a number of issues in a full suite of issues that we are dealing with around the Bays Precinct, around cruise in general, across New South Wales and up the coast, which we take a fair bit of interest in—

**The Hon. JOHN GRAHAM:** Thank you, I think you have answered the question, Mr Gilfillan. I wanted to let my colleague run through that, but returning to the advice you have given, I understand what you are saying, that the sign-off happened at executive director level for the bus trials, although it would not be unusual for an information briefing to go to the Minister's office or the Minister, or for someone to verbally brief the Minister. My question to you was slightly different from who signed it off; it was really this: Did anyone brief Minister Constance on the trials in his electorate?

**Mr STAPLES:** I certainly personally was not involved in any briefing in and around that. I have not had any conversation at all with the Minister in relation to that trial and I interact with him very regularly. He has never raised the matter with me personally at all. I am happy to take on notice whether there has been any discussion with his office that we have a formal record of.

**The Hon. JOHN GRAHAM:** That is very useful from your end.

**Mr STAPLES:** We can do that, but just be really clear that the decision was for Transport for NSW.

**The Hon. JOHN GRAHAM:** Yes, which is helpful and, by the way, is not contested, so if you would take that on notice for you and your team?

**Mr STAPLES:** Certainly.

**The Hon. JOHN GRAHAM:** I want to turn to one of the worst sites for accidents on the M4 at the moment, a section of road that is known informally as "Crash Alley"—that is what it has now become known as. There is work going on in order to make this particular stretch of road safer. It is at the Church Street exit of the M4. Firstly, what is the completion date for that work? It has been spoken about as November this year. Is that still accurate?

**Mr STAPLES:** I will hand to Mr Hardwick, who has overall responsibility in relation to that work. Obviously there has been a lot of reporting around that particular location and it has received not just media focus but genuine focus from the roads team and Roads and Maritime Services. I firstly acknowledge that there has been a recent fatality there, which is very sad for the family. When you read that story, the family circumstance, it is a tragedy, and we would acknowledge that and offer our condolences. Beyond that, as those issues arose we stood back and said: This is worth an independent look. We invited the Centre for Road Safety to examine this and, as a result, produce a report, which we have published and is available to examine.

**The Hon. JOHN GRAHAM:** I have examined it. I am simply asking are we on track for that completion date?

**Mr STAPLES:** I might ask Mr Hardwick to give you an update on where we are at with that and just sort of acknowledge that his team has been working tirelessly to progress that.

**Mr HARDWICK:** Just to be clear, there is the \$30 million package of work we are carrying out on the safety works. We identified in July 2018 that there was an implementation of some safety package measures that were required at that location and in different locations on the M4. So work had already started to progress on that and we have seen a reduction in the number of crashes at that location since last year. There was a very tragic one that happened recently, so we have accelerated some of that works.

**The Hon. JOHN GRAHAM:** When will it be complete?

**Mr HARDWICK:** We are on track to have that completed by November. At the moment they are working on both the extension of the left-hand turning lane at that exit and also working on—

**The Hon. JOHN GRAHAM:** But all of that \$30 million work will be complete in November.

**Mr HARDWICK:** And the new right-hand turning lane will be done as part of that.

**The Hon. JOHN GRAHAM:** The review of road safety found it is apparent that the M4 eastbound Church St off-ramp continues to have "a higher number of casualty crashes than all other off-ramps analysed." Is it fair to say this is the worst off-ramp in Sydney from a safety point of view?

**Mr HARDWICK:** I would have to do a confirmation with off-ramps and on-ramps for motorways, but we are doing a lot of work around improving that intersection. The works we have got in train will continue to reduce the number of incidents.

**The Hon. JOHN GRAHAM:** If you could take that on notice that would be helpful.

**Mr STAPLES:** I emphasise the point that one of the things the report did highlight was the particular geometry and sort of sightlines, which are a legacy of when the road was originally built, do offer some challenges there because you are coming around a curve on a slope.

**The Hon. JOHN GRAHAM:** I am familiar with the report. Mr Staples, I want to move onto Sydney Northwest Metro buses. What representations has Transport for NSW or the Minister for Transport received from the Treasurer in relation to this?

**Mr STAPLES:** I have not personally received any representation from the Treasurer or his office. I could not speak for the Minister himself in terms of what discussions he has had with the Treasurer.

**The Hon. JOHN GRAHAM:** The Treasurer has told his electorate, "I've raised these issues with Transport for NSW." What representations has Transport for NSW received from the Treasurer?

**Mr STAPLES:** I might ask Ms Mildwater to comment in terms of where we are at on that.

**The Hon. JOHN GRAHAM:** I do not want to know where we are at. I want to know are there representations from the Treasurer?

**Ms MILDWATER:** I would have to take that on notice. I can tell you what we are doing.

**The Hon. JOHN GRAHAM:** I simply want to know what representations there have been from the Treasurer.

**Mr STAPLES:** We will take that on notice.

**The Hon. JOHN GRAHAM:** I am happy if you take that on notice. I want to ask a question about a contract that has been issued, a revenue contract with what was formerly Roads and Maritime Services—the Sydney Harbour Bridge Concession Agreement. It is a revenue contract for \$1, which relates to the contractor named Feliz Puente—I understand that means "happy bridge" in Spanish—that replaces the former operator BridgeClimb. It is the revenue contract in place for the new arrangement, which extends for some considerable period of time—I think through to 2039. I take it we have not signed up for \$1 of revenue on this contract?

**Mr STAPLES:** I do not have the specifics on hand of that particular contract. I can ask Mr Hardwick to comment. There is certainly a process that we went through.

**The Hon. JOHN GRAHAM:** Understood, and it was quite extensive.

**Mr STAPLES:** Yes, it was. The only comment I would make, which I am really excited about, is some of the opportunities to get people with disabilities and so forth onto the bridge is an outstanding change in the offer that we have got, which we are very excited about.

**The Hon. JOHN GRAHAM:** I accept that. Mr Hardwick?

**Mr HARDWICK:** The BridgeClimb contract, that whole process went for quite some time—it was nearly 18 months from start to finish. There were a number of bidders that were put through in that process.

**The Hon. JOHN GRAHAM:** I am familiar with that background. The Minister has not sold the bridge for \$1, has he?

**Mr HARDWICK:** No.

**The Hon. JOHN GRAHAM:** So why does the contract list it as \$1?

**Mr HARDWICK:** I would have to take that on notice why it is identified that way.

**The Hon. JOHN GRAHAM:** If you could take that on notice that would be helpful. The contract began on 15 June 2018 but it was not published until 12 April 2019. Why was that?

**Mr HARDWICK:** Why was what not published?

**The Hon. JOHN GRAHAM:** The contract began on 15 June 2018 but it was not published until 12 April 2019. Why the delay? Why was this not out in public?

**Mr HARDWICK:** I understand the premise of the question. We do not have the detail at hand so we will take it on notice and try and provide you with some clarity.

**The Hon. JOHN GRAHAM:** How much revenue will be coming in to the Government from this contract?

**Mr STAPLES:** We will take it on notice and see what we can provide in relation to that.

**The Hon. JOHN GRAHAM:** I just want an assurance though that you will not come back saying this is commercial in confidence. There is no reason why this information would not be able to be known to the public given the contract. You have gone through an extensive process. There were 13 bidders. I accept it was comprehensive; it is signed up until 2039. You are not going to come back and say the public cannot know how much money—

**The Hon. WES FANG:** Point of order: How can they give that guarantee?

**The Hon. SHAYNE MALLARD:** How can he know that?

**The CHAIR:** Can I hear the point of order? Is it a point of order or a complaint?

**The Hon. WES FANG:** It is a point of order. You are asking for a guarantee that is unable to be given.

**The Hon. JOHN GRAHAM:** I am happy for the secretary to answer in whatever way he chooses.

**The Hon. SHAYNE MALLARD:** To the point of order: Mr Staples said he will take it on notice. I think when someone says they will take it on notice you do not ask more questions about the question.

**The CHAIR:** If it is a separate question to the one that was going to be taken on notice he can continue.

**The Hon. JOHN GRAHAM:** I am happy for you to answer in whatever way, but that information is unlikely to be commercial in confidence.

**Mr STAPLES:** I have learnt over time not to second-guess exactly the circumstances. So absolutely I will take it on notice and we will disclose what we understand our obligations to be in terms of contract disclosure.

**The Hon. DANIEL MOOKHEY:** I am in your hands as to how or who you believe is best placed to assist in respect to the green bonds issue that Transport for NSW or at least some of the projects that you are responsible for participated in? You are, of course, aware that TCorp recently executed a green bond?

**Mr STAPLES:** I am aware of the concept but I cannot say that I or anyone who is in attendance here would have much knowledge of that.

**The Hon. DANIEL MOOKHEY:** Let me just give you a bit of background. To be clear, I am just reading from the terms sheet that has been published by TCorp. It says 9 November was the pricing date for the issuance of a \$1.8 billion green bond; the settlement date for the bond was 15 November 2018; the maturity date for it was 15 November 2028; it was a 10-year bond; and it had a coupon rate of 3 per cent. The New South Wales Government is one of the first jurisdictions so far to participate in an initiative like this. It went to market, it was undertaken by ANZ and Merrill Lynch and it says, "The issuer intends to allocate proceeds from the issuance of all green bonds on an aggregated basis against the projects and assets contained in the portfolio. As at the date of

the pricing supplement, the portfolio includes the following projects and assets: Newcastle Light Rail, Sydney Metro Northwest." Does this stir anything?

**Mr STAPLES:** I think what you need to understand is what the relative roles are between Transport for NSW and Treasury.

**The Hon. DANIEL MOOKHEY:** That is good but I did actually pursue this at some length with Treasury yesterday, and they did make it clear that a lot of these questions should be directed here. I do not want to get you caught in a shuffle but the questions are really straightforward. How much of that money that has been raised in the debt profile was to be remitted to the Newcastle Light Rail and Sydney Metro Northwest? Do you know or does anyone know?

**Mr STAPLES:** Both of those projects are obviously complete. I do not have specific knowledge around the contributions to that because our focus is on the delivery of the projects and getting them into service. It sounds to me, at face value, notwithstanding what you might have heard yesterday, that that is more about a financing issue and where the money comes from, which generally speaking is a matter for Treasury. But I am happy to take it on notice.

**The Hon. DANIEL MOOKHEY:** I appreciate that. I would not mind, if it is possible, to get some information for the evening session on this. But it says that these projects were selected because they fall within the climate initiatives, which is a global institution that kind of oversees this, as low-carbon transport. It says that it was for the Newcastle Light Rail and Sydney Metro Northwest. It says as well that both those projects are going to be subject to annual assurances processes by Ernst & Young—that is, Ernst & Young has got to be the agency that determines whether or not the environmental requirements of the bonds are being discharged.

I just want to know what exactly are the environmental aspects or targets that the Newcastle Light Rail and/or Sydney Metro Northwest should be completing? Maybe the Sydney Metro CEO might be able to help us here. The reason I say this is because we have warranted to a lot of investors, at least \$1.8 billion, that we are going to be fulfilling these requirements. What exactly are the requirements that we are fulfilling that we promised them and that we have made payments contingent on to them? How is that being balanced between the operator and Transport for NSW? If you want to take that all on notice you are welcome to do that.

**Mr STAPLES:** I think somewhere there is some confusion around responsibilities here because you are talking about a financing product facing the market with conditions and guarantees around that. That would be—

**The Hon. DANIEL MOOKHEY:** I do not think I am confused because it is the case that we have said that we will be fulfilling environmental requirements in these two respects for the purposes of this bond, so it does become an operational issue for Transport for NSW. I am just wondering what are they that we have said we will do?

**Mr STAPLES:** There is no doubt—I could ask Mr Lamonte to talk to you about the environmental credentials of the Sydney Metro Northwest because from a delivery point of view and in operation we have got energy offsets and so forth around that. I can see why, in concept—and I can only talk concept here—why a green bond would be—

**The Hon. DANIEL MOOKHEY:** Is it possible to take it on notice?

**Mr STAPLES:** It may well be that, in terms of the questions you are asking, I would have to say that it is unlikely that we would have the definitive answers for you. It might be better to think about a supplementary question through the Treasury process.

**The Hon. MARK BANASIAK:** One of the recommendations from this point to point report was that existing ordinary taxi licences be converted to transferable annual licences that are only renewable up to nine times. How does that guarantee security for taxidriver who, in many cases, are responsible for bank loans for those vehicles that would exceed those nine years?

**Mr STAPLES:** Sorry, could you just ask that question again? I was just slightly distracted for a second.

**The Hon. MARK BANASIAK:** There was a recommendation that the ordinary taxi licences be converted to transferable annual licences that can only be renewed up to nine times. How does that guarantee security for those taxi workers who would possibly have loans that would exceed that nine-year period?

**Mr STAPLES:** I do not have the specifics on that one. I think that is one that we will have to take on notice, unless Mr Wing has something that he could add to that that could help clarify it?

**Mr WING:** I think the only thing I could add to that is that my understanding is that that was a recommendation of the report that was not agreed by the Government.

**The Hon. MARK BANASIAK:** That will be pleasing for the taxi industry that it has not been endorsed by the Government. I want to draw your attention to the transitional payments. The transitional systems, I think it was called, was scheduled to be distributed in three parts commencing with \$98 million for immediate initial assistance and then followed by another \$10 million for hire car and then another \$142 million for hardship with no real definition of what would constitute hardship. Looking at some calculations, the Taxi Council said that there were probably around 250,000 transactions per day in Sydney alone. With those numbers, \$98 million transitional systems would have been paid for in less than 14 months. However, only \$92 million is actually reported to have been distributed. Where is that other six million?

**Mr STAPLES:** There is a number of components, as you indicated. There is the transitional assistance component which was up to \$98 million and that is related to providing \$20,000 per licence—a maximum of two—for eligible taxi licence holders. We have received applications from more than 99 per cent of the eligible taxi licence holders, which equates to over 4,000 licences. I think in terms of doing the sums, that has come out of the \$92 million. In terms of our estimate, it did not actually require quite as much money. There is \$92 million. I think a further \$1.74 million was distributed as part of a second phase, so it is actually \$93.74 that has actually been distributed through the transitional assistance payment. That was intended to be quite short and sharp in terms of the payment.

We have also had additional assistance for eligible hire car licence holders of up to \$10 million. So we had 99 successful applications out of 150 eligible hire car vehicle licences and that involved the distribution of almost \$8.3 million. The third component that you referred to, and you quoted the right amount of money, is additional assistance for hardship of up to \$142 million. Applications closed late last year. We have been processing those and a number of those applications have been processed. There were 1,258 applications that were received and a number of those hardship cases have been resolved since then.

**The Hon. MARK BANASIAK:** What are the defining factors for hardship? Is there a test that these licensees must go through?

**Mr STAPLES:** I am just getting a little bit of extra information. I do have some on hand. I am just trying to find the specifics of it so I make sure I get your answer correct. The three main reasons—apologies, I have got a general understanding.

**The Hon. MARK BANASIAK:** Do you want to take it on notice and give it a more thorough answer? I am happy for that to occur.

**Mr STAPLES:** I am happy to provide you a written response on those. Some reasons why applications or applicants may not have received payments would have been where the application or the applicant did not provide a complete application and we did have a number of circumstances where that was the case and we did go back and seek additional information in requests and sometimes we did not receive that. That may be where some of your questions are coming from. Also, if there was some key information that was critical to understanding the applicant's financial circumstances because the hardship does relate to, as the word suggests, their financial situation. The third component is a bit more particular around the evidence regarding gross income and net wealth and the claim of the detriment that it is actually having. This is intended to focus on people who have suffered particular financial hardship and there are some elements there that people were not able to address, but there were certainly a number of cases where they were. I am happy to take on notice a little bit more of a response on that.

**The Hon. MARK BANASIAK:** It is my understanding that there is a committee that decides—

**Mr STAPLES:** There is a panel that oversees it, which I think is an important discipline to have. There is no one individual that is actually signing off on this. They test the process, the merits of a hardship application, which is important.

**The Hon. MARK BANASIAK:** Who sits on that panel? How many members and what areas of government or industry are they comprised from?

**Mr STAPLES:** The panel comprises Transport for NSW, a representative from the Department of Premier and Cabinet, a member from Treasury and a member from the NSW Taxi Council.

**The Hon. MARK BANASIAK:** How often do they meet to hear those hardship cases?

**Mr STAPLES:** My expectation is that they would be meeting on a regular basis to manage the flow of the applications. I do not have any information on the specific timing of their meetings.

**The Hon. MARK BANASIAK:** No set number of meetings that they have to—

**Mr STAPLES:** I am not saying that there would not have been a set number of meetings but my expectation is it was probably built more around when we received applications, where the assessment was up with those and how they considered them. But if you want to look at specifically—

**The Hon. MARK BANASIAK:** Yes. If you could come back with even just an average of how often they meet, that would be great.

**Mr STAPLES:** I am happy to take it on notice.

**The Hon. MARK BANASIAK:** Going back to the figure that I quoted and that was from the NSW Taxi Council and that was based in Sydney alone, when you look at the entire State, the industry supplies approximately 175 million passenger journeys each year, not including rideshare. Looking at those figures you would roughly say that the entire \$250 million transitional assistance package would actually be paid for in under 18 months; would that be correct?

**Mr STAPLES:** I would not want to speculate on the uptake of that. We are in the process. As Mr Wing is responsible for the collection of the levy, the timing of it will be the timing. We are not determined by the uptake of the levy. The Government will manage the cash flow around that. If the case is there for the hardship to be paid then we will pay that. The two are not related.

**The Hon. MARK BANASIAK:** Is there an actual cut-off point in terms of when there will be no more hardship cases heard and the levy will cease to be charged or is this now to become a permanent levy on taxis and rideshares?

**Mr STAPLES:** Mr Wing may provide some specification around the timing and the quantum of the levy and how long that may run for.

**Mr WING:** I cannot answer the first part of the question about the distribution of funds, I do not manage the scheme for the hardship payments. In reference to the levy itself, it has currently collected approximately \$89 million based on the latest figures from Revenue NSW. From those estimates I think the total number of trips seems very high compared to the actual number of trips. But \$89 million is what has been collected so far. As far as how long it will go, the law provides that it is to be collected until it ceases and it ceases on the day that the Minister, by a statutory instrument, states that it is to cease. Any question about when the Minister intends to do that would have to be directed to the Minister.

**Mr STAPLES:** I would like to make one reference as well to the honourable member and for the Committee as a whole. The reason why I am looking like I do not have quite as much knowledge of this particular process is that I have generally removed myself from this—I actually have a family member who has ownership of a taxi plate. In terms of my role in the department, I have been operating at arm's length around this. I have been trying to give you the information generally that is available but the reason I am looking like I do not have quite as much knowledge of this is because I do actually have a family member who owns a taxi plate. I have been very keen to make sure that I am not involved at all, other than the oversight with Mr Wing in terms of making sure the point to point industry is overseen.

**The CHAIR:** Thank you for noting that. Returning to buses and our discussion in relation to the inner west buses. I have three questions for you. The first one is in relation to the on-time statistics for the inner west buses. The reports I have read indicate that only 90.5 per cent of buses operated by Transit Systems in the first quarter of this year ran on time, compared with the 93.5 per cent of STA services that operated during the same time frame in 2018. I understand there is a key performance indicator for Transit Systems of 95 per cent for on-time services. What is the Government doing to address the failure of Transit Systems to meet that standard?

**Mr STAPLES:** It is best to refer that question to Ms Mildwater because she has the oversight of the Transit Systems contract.

**Ms MILDWATER:** As I mentioned before, Transit Systems on-time running has continued to increase and in the most recent report they are now at 93.8 per cent—not far off the benchmark of 95 per cent. As I also mentioned, it does not make sense to compare it with the STA performance for the same region because it is not like for like. Transit Systems has already introduced 270 extra services. When we created the region six area to put out for franchise we added some routes in there that were not in the STA region. They were cross-cutting routes that had run across a few regions and they are some of the most difficult regions in Sydney to run. For

example, the M20, M30, M10, M50, 389 and 440 were previously in region nine but are now part of the region six franchise.

**The CHAIR:** Apologies for cutting you off; I do not have much time left. What is the process for ensuring that Transit Systems get to that 95 per cent target?

**Ms MILDWATER:** We do work closely with Transit Systems and we obviously meet with them regularly to discuss issues if they are not meeting the on-time running benchmarks. I guess what we are working with them to do is to understand the measures they put in place to try to address the benchmarks, and we are hopeful that they are going to be there soon. You can see they are improving. Some of the things that Transit Systems has done is to increase the number of services, recruit more drivers. They have an additional 400 drivers from when they inherited the region from STA and they have reduced the cancellations. With the various measures that they are putting in place, which we monitor very carefully, we would expect their on-time running to continue to increase.

**The CHAIR:** How is the Government measuring the performance of the four electric buses launched in June?

**Ms MILDWATER:** They are running regular route services. I guess one of the things we are interested in seeing is how the public takes to them. We are also trying to learn general lessons so we can increase the number of electric buses or zero emission buses more generally on the network. There are actually five in region six at the moment. They started off with four and there was a Yutong branded bus running in Kiama that has now been moved to region six. They are performing very well. In addition, STA will be rolling out 10 electric buses and I would be happy to throw it to Mr Faurby to explain how that is going to be done.

We have just completed a market sounding more generally on zero emission buses where we took information from operators, from electricity companies and from various people around the world. We would soon hope to be changing our bus procurement panel or, more broadly, going out to the market in relation to zero emission buses. We are at the moment in discussions with Ausgrid because to more broadly rollout electric buses you need to understand the infrastructure requirements and how they work with the network. We are forming a partnership with Ausgrid to be able to understand that better. We will be rolling out 10 electric buses with STA as well.

**The CHAIR:** That is fantastic. Apologies to Mr Faurby but I will move on in the interests of time. Touching on that electric vehicle infrastructure. I am not sure who to direct this question to. Secretary, could you respond first? What is the Government doing to upgrade and install electric vehicle charging stations in the State?

**Mr STAPLES:** We did release an electric and hybrid vehicle plan—I cannot remember the exact date; I will check that and give it to you—only fairly recent as a subset of Future Transport. We have the overarching objective of the New South Wales Government target of zero emissions by 2050. That was recognised in Future Transport 2056 as being something that we would work on in the transport network. Transport makes about an 18 per cent contribution to emissions. It is not the total, but we have an important role to play. In the strategy that we released—I think it was late last year or early this year, I will confirm the specifics of that—there is a whole host of things around suppliers as well as charge points.

We have a small amount of money set aside for some pilots on that. The one thing that I would contextualise around it is that we do not see government being the provider necessarily of all charge points, in the same way that you would not expect government to be the provider of all service stations across the State. As the industry transitions and businesses transition to using electric vehicles we will expect to see a market response to that; our role is to think about how we can facilitate that. It is not for New South Wales alone to do that because if you think about it cars do cross borders. This is a national issue. It is a discussion going on at a national level with my counterparts across States and with leadership from the Commonwealth in managing that.

**The CHAIR:** It used to be the case where we had a limited number of manufacturers of electric vehicles that were being taken up. Now we have a whole range of manufacturers coming out with their own vehicles. I would be very concerned if we were to move to any kind of model that would only service one type of electric vehicle in terms of the charging stations. When you talk about allowing the market to produce these charging stations are you taking into account access for all of those different vehicles?

**Mr STAPLES:** Just to clarify two things. In January 2019 we released it, and it is available on our Future Transport website. The point you touched on is exactly the issue we are grappling with: How do we create the right platform policy standards so that various vehicles can interact with and get charged? The last thing we want to do is create a situation where only certain types of vehicles can plug in, in certain types of situations. That

is why it requires a national approach. We will look globally at the trends and how other jurisdictions are dealing with this. It would be fair to say that some other jurisdictions, particularly in Europe, have been able to get more rapid take-up of vehicles. Australia has its own challenges because of our geography, how spread out we are. You can see us being able to very rapidly apply similar approaches in our urban areas. We are reflecting pretty heavily on how we manage that transition into regional areas.

**The CHAIR:** Is there anything else that the department is considering to encourage further uptake of electric vehicles?

**Mr STAPLES:** I do not have the full details of the plan but we have got some things like a target for a percentage of new vehicles for the government. We are a major purchaser of vehicles and leaser of vehicles. I do not remember the exact percentage.

**The CHAIR:** It is 10.

**Mr STAPLES:** It sounds like you should be telling me, rather than me telling you.

**The CHAIR:** Apologies.

**Mr STAPLES:** I think that is an important issue just in the same way that we have a focus on safety vehicles as well. All of my colleagues here could talk more generally around some of the environmental and emission offset strategies that we have—whether it is on metro or Mr Collin's area—if you want me to spend some more time talking about those.

**The CHAIR:** Has there been any thought to reducing registration fees for electric vehicle owners?

**Mr STAPLES:** Not to my knowledge, at this stage. Ms Mildwater has a bit of extra information to provide around electric buses.

**Ms MILDWATER:** I would like to correct the record. I think I said Ausgrid, instead of TransGrid.

**The CHAIR:** What does the Roads and Maritime Services [RMS] do to enforce adherence for T2 lanes?

**Mr STAPLES:** I will ask RMS Chief Executive or Mr Hardwick whether they have any knowledge around that. I think it is largely a policing matter.

**Mr HARDWICK:** Correct, it is a policing matter. If we get complaints about it at any time and we get that regularly, we would talk to the police and between us work out how to increase policing for T2 lanes.

**The CHAIR:** Has there been any thought given to relaxing the rules around T2 lanes to allow electric vehicle drivers to drive in those lanes? Or to have any kind of electric vehicle lanes? I know that has been tried in other jurisdictions.

**Mr STAPLES:** I understand the question you are asking. I think there is a broader community conversation to be had around the utilisation of road space overall. In fact, one of the key drivers for us bringing Roads and Maritime Services and Transport together as an integrated agency is because we think that is the best place for that to happen—under the one banner. Ms Mildwater now will certainly be looking at that across the city network. There is no real policy about how we make the most of our road space and those things can be considered.

**The CHAIR:** Thank you for your comprehensive answers. We are now going to break for an hour and I will see you back here at 6.00 p.m.

**(Dinner adjournment)**

**The Hon. PETER PRIMROSE:** You may wish to take these on notice, Mr Staples. I want to talk about GIPAs for a moment, I am sure one of your favourite topics. If I go to other agencies, I can usually click on their disclosure log and obtain a copy of GIPAs that have been approved. I go to your agency and I cannot do that and I have to make an application. My simple question is: Can you tell us why you do not have the same provision as other agencies?

**Mr STAPLES:** To be honest, I do not have the answer to that. I am happy to take it on notice.

**The Hon. DANIEL MOOKHEY:** It was the case up till about 2018, I think, that it was possible to access Transport for NSW GIPAs on your website through your disclosure log and that has changed. The procedure now is that you have to email someone. When did it change and why did it change? Is that a decision that required your approval?

**Mr STAPLES:** I do not recall signing off on any such matter. I do not spend time, to be honest, going on the website.

**The Hon. DANIEL MOOKHEY:** We do.

**Mr STAPLES:** Yes, I know you do. I appreciate that.

**The Hon. PETER PRIMROSE:** There is an inconsistency within government. As I said, I do not expect someone at your level to have that knowledge, but if you could please come back to us with advice.

**Mr STAPLES:** I will endeavour to get an explanation. I will take that on notice and, as I said, get an explanation.

**The Hon. PETER PRIMROSE:** Sticking with GIPAs, I again ask that you have a look at this matter and again you may not have it at your fingertips. We looked at a GIPA with the agency reference 19T-0182, but when we went back to have a look at it subsequently it had been removed from the disclosure log. It had been given out, it had been on the disclosure log, but then it disappeared. Over, say, the past two years, how many GIPAs that have previously been made public have been removed from the Transport for NSW disclosure log as this one had? If the agency had already determined it had been appropriate for GIPAs such as this one to be on the disclosure log, what process was used to say that it now should be removed? Again, please take it on notice.

**Mr STAPLES:** I am happy to take it on notice in terms of both the number that may have been put up and are no longer there. We can look at that and, secondly, around the specific one that is in the *Hansard*. We will look at that particular item. I do not have knowledge of it.

**The Hon. PETER PRIMROSE:** I understand. I appreciate that.

**The Hon. DANIEL MOOKHEY:** To follow up on that line of questioning, in addition to the questions you took on notice, is it possible for you to take on notice just what procedures are followed to ensure the GIPA office is complying with the requirements of the Act in terms of disclosure? In truth, there is no discretion available to government agencies—if they approve a GIPA, they have to put it on a log as well. On notice, it would be helpful if you could provide a bit of information as to the compliance procedures they must follow in terms of the Act. Incidentally, it would also be useful to know on notice why effectively there is a substantial lag between Transport for NSW making GIPA decisions and then listing them on the log. There is usually a couple of months' lag.

**Mr STAPLES:** The only thing I could say around that is that we do deal with a large volume. I know other clusters do also deal with a large volume, but there is a substantial workload around GIPAs in that area.

**The Hon. DANIEL MOOKHEY:** Thank you, we appreciate that.

**Mr STAPLES:** We have a dedicated resource team working on it, but it does take some time to get those things.

**The Hon. DANIEL MOOKHEY:** Can I turn to the Parramatta light rail? This question is probably for the project director for the Sydney light rail office. How many full-time employees are currently working in the Sydney light rail delivery office?

**Mr STAPLES:** I want to clarify your question. Mr Pascall is leading the Sydney light rail project.

**The Hon. DANIEL MOOKHEY:** Sorry, Parramatta light rail.

**Mr STAPLES:** You are talking about Parramatta light rail?

**The Hon. DANIEL MOOKHEY:** Yes.

**Mr STAPLES:** Mr Thomas has recently stepped into the role of project director on Parramatta light rail. Are you looking for a number in terms of the total team working on Parramatta light rail?

**The Hon. DANIEL MOOKHEY:** Full-time equivalents [FTEs]; no, in the delivery office.

**Mr STAPLES:** I will pass the question to Mr Thomas to see whether he has an estimate of that.

**Mr THOMAS:** For the exact number I will have to get back to you, so I will take that on notice. But it is approximately 120.

**The Hon. DANIEL MOOKHEY:** And those are dedicated to stage one?

**Mr THOMAS:** That is correct.

**The Hon. DANIEL MOOKHEY:** Does it also cover stage two?

**Mr THOMAS:** Stage two does not have many people at the moment working on the project.

**The Hon. DANIEL MOOKHEY:** When you say "not many", how many are working on stage two?

**Mr THOMAS:** For stage two, most of our work is complete and the work that we are going to do, which is the preparation of the business case, the final business case is now done. There are a number of people we currently have carrying on the remaining works or the finishing work, if you like; there are about half a dozen people.

**The Hon. DANIEL MOOKHEY:** So about six.

**The Hon. JOHN GRAHAM:** I just want to ask: When was that business case completed?

**Mr THOMAS:** The business case is now in the process of being considered by Geotech.

**The Hon. JOHN GRAHAM:** I understand that. When was it completed, though?

**Mr STAPLES:** I do not think we have a specific date at hand, so we will have to take that on notice. To your question about resourcing, it is important because we do have cycles in projects. With a business case you go through a process to review it and it is not unusual to put a substantial team to deliver and prepare the business case and then to wind down a resource base until such time as investment decisions and so forth are made. One of the big advantages we have with stage two having been developed as part of the Parramatta light rail stage one team is that we can draw on the resources that are in that team. As we move into delivery, subject to a government decision on stage two, then those resources and the skills set available within that team—

**The Hon. DANIEL MOOKHEY:** We were not suggesting that there was something novel about the idea that the amount of people would reduce. I think my colleague's question was getting to when precisely did that reduction take place. You said that there are now only half a dozen because either those people have been put onto other projects or otherwise are no longer on the project. When did that happen?

**Mr THOMAS:** I do not have a precise time for it. It has been a gradual process. Like the secretary said, there are different phases that we go through. With the stage two works, the finishing work, at the moment we still have some Geotech investigations happening, for instance, which is why there are about half a dozen people on the job.

**The Hon. DANIEL MOOKHEY:** Are compulsory acquisitions of properties, be they commercial or residential, required for the construction of stage two?

**Mr THOMAS:** There will be, I think, but at this stage, again, it is a matter of in the business case we have not identified exactly the number of properties.

**The Hon. DANIEL MOOKHEY:** It will be the responsibility of the agency to undertake those acquisitions as a matter of law. Is that correct?

**Mr STAPLES:** Sorry to be pedantic on this one, but I want to be clear. You used the words "compulsory acquisition"—

**The Hon. DANIEL MOOKHEY:** Or voluntary—I will broaden that.

**Mr STAPLES:** I just wanted to be clear. We would always endeavour, first and foremost, to engage in a negotiation process for the acquisition of a property rather than use—

**The Hon. DANIEL MOOKHEY:** Have you identified how many acquisitions will be required—the number of residences and/or number of commercial properties?

**Mr STAPLES:** I do not have that knowledge. I think it would be best if we take that on notice.

**The Hon. DANIEL MOOKHEY:** I think the question I asked was: Has the process begun?

**Mr STAPLES:** No, not at this stage. We would be waiting for government investment decisions before proceeding with something like that and planning approval processes to get underway as well.

**The Hon. DANIEL MOOKHEY:** Have you taken or commissioned any advice as to when is the appropriate time for the market to commence that? To be fair, it is possible for agencies to engage in acquisitions before the final business case and investment decisions are made—and, in fact it was quite common, amongst the RMS base, that that would happen on road projects. Is Transport for NSW—

**The Hon. JOHN GRAHAM:** It is part of good planning.

**The Hon. DANIEL MOOKHEY:** It is part of good planning and it is quite reasonable. Is it the case that Transport for NSW will be waiting for the final investment decision for that to begin or is it the case that you are contemplating now doing it ahead of time as a prudent planning procedure?

**Mr STAPLES:** I would have to take the specifics of that on notice. It may depend on just how long it takes before an investment decision is made, but you are certainly right—there are times when we acquire properties in advance of business cases, depending on the nature and the status of a project.

**The Hon. DANIEL MOOKHEY:** On notice, could we also get how many properties were acquired in the last year for any project?

**Mr STAPLES:** For any project?

**The Hon. DANIEL MOOKHEY:** Any project. How many property acquisitions were undertaken by your agency in the last 12 months?

**Mr STAPLES:** Certainly.

**The Hon. JOHN GRAHAM:** While asking about property acquisitions, can I ask a similar set of questions about the Western Harbour Tunnel and Beaches Link? Have any property acquisitions taken place for that project?

**Mr STAPLES:** I am just looking to Mr Hardwick and Ms Trussell to see whether they actually have any knowledge on that one. I will see what I have got in the information at hand. Not to my knowledge, but it is possible that some may have been undertaken. Bear in mind that, as part of the delivery of WestConnex stage 3B, there are actually what we call enabling works embedded within that so there may well have been some acquisitions associated with that element that I am not familiar with. I might need to take that on notice in terms of the specifics.

**The Hon. JOHN GRAHAM:** Again, have you identified a number of acquisitions that have been acquired for those projects?

**Mr STAPLES:** Certainly, we will have identified that. Obviously, we have got a planning process to go through and it just depends on the particular approach we adopt as to exactly when we would choose to approach property owners to start acquisition processes.

**The Hon. JOHN GRAHAM:** Can you give us any guidance on the timing that is anticipated?

**Mr STAPLES:** No. As we spoke about a bit earlier in terms of the reference design and scope and so forth, there are some considerations for government to make around some scope on that project which we would like to have resolved and have certainty on first before we start engaging with property owners.

**The Hon. JOHN GRAHAM:** You are coming back on notice about whether it has begun, but what you are really saying is in this case the investment decision will happen before property acquisitions?

**Mr STAPLES:** Potentially, yes.

**The Hon. JOHN GRAHAM:** Do you want to take that on notice, given you have taken the other one on notice?

**Mr STAPLES:** Yes, I am happy to.

**The Hon. JOHN GRAHAM:** That would be good. That is appreciated. I want to turn to another matter, and that is the evidence that was put in front of a parliamentary committee about the work of electricians on government projects, including big government projects. It was the committee inquiry into building standards. Evidence received from the Electrical Trades Union, which essentially had looked at companies advertising for electricians in Sydney and it identified that in a short period of two weeks 19 companies were blatantly advertising for unlicensed electricians, overseas-qualified electricians and trades assistants to do electrical work and it indicated that they were advertising in breach of the State law. The evidence was quite concerning. The evidence was that this was occurring on projects such as WestConnex or NorthConnex in New South Wales. I am interested, firstly, in whether you believe that is the case, that there are unlicensed electricians working on major Government projects in breach of the law?

**The Hon. CATHERINE CUSACK:** Point of order: I am entitled to request that the member table the evidence that he is referring to.

**The Hon. JOHN GRAHAM:** I am certainly happy to do that. I am also happy for the agency to go away and look at that evidence in more detail. I am very happy for some of this to be taken on notice, although I do want to ask: Is the secretary aware of unlicensed electricians on major projects?

**The Hon. CATHERINE CUSACK:** I am just asking that you show him the evidence so he can consider that with his answer.

**The Hon. JOHN GRAHAM:** Yes. I will table that.

**The CHAIR:** To be clear, you are tabling it and we can also share it?

**The Hon. JOHN GRAHAM:** I can provide the original. I might move on and come back.

**The CHAIR:** We are just checking on the procedure.

**The Hon. CATHERINE CUSACK:** I think what you are saying is that it does not need to be tabled because it is already publicly available.

**The CHAIR:** It is already publicly available but it would be very useful if it could be shared. It is just going to be copied. Did you want to ask your question?

**The Hon. DANIEL MOOKHEY:** Yes, I do. Ms Trussell, how long have you been the acting CEO of RMS?

**Ms TRUSSELL:** I was appointed the acting CEO of RMS in mid-April. I still am the acting CEO. It is important, though, to just clarify what the accountabilities of that role are currently and how they have changed over the last couple of months.

**The Hon. DANIEL MOOKHEY:** I would appreciate that, perhaps on notice, because I accept that this might be a transitional arrangement. In fact, my question then is to the Secretary. Is the role going to continue post the restructure and the amalgamation of RMS?

**Mr STAPLES:** At the moment, Ms Trussell still has accountability for Roads and Maritime Services. It is still a separate agency under the Act. You will be aware that there is legislation in the House.

**The Hon. DANIEL MOOKHEY:** A proposition is before the House, yes.

**Mr STAPLES:** How that role evolves will depend on the outcome of the passage of that legislation.

**The Hon. DANIEL MOOKHEY:** Mr Staples or Ms Trussell, how did your predecessor, Mr Kanofski, leave the job?

**Mr STAPLES:** I think that is most appropriate. In essence, when we announced what we refer to as evolving transport change in April of this year, we immediately foreshadowed that as we bring Transport for NSW and RMS closer together there would be a substantial impact on the way the RMS chief executive role would interact with Transport for NSW and the cluster, which had an impact on Mr Kanofski in terms of his role. It was a substantive change which falls into the criteria of a redundancy.

At that time Mr Kanofski stood aside from being the chief executive. We appointed Ms Trussell as the acting chief executive of RMS at that point and for a period of time, working across government with the Public Service Commission, we did explore options for Mr Kanofski to maybe take other roles within government because, as you would be aware, there were a number of changes going on at that time. At the same time he actually provided support to me in terms of some information knowledge to support the transition that we have underway in terms of bringing Transport for NSW and RMS closer together, but his employment concluded on 30 June as part of a redundancy.

**The Hon. DANIEL MOOKHEY:** As part of a redundancy. He was in the Senior Executive Service, wasn't he? Therefore, presumably, his redundancy entitlements were determined by the policy that is applied by the Public Service Commissioner?

**Mr STAPLES:** Yes. It was all consistent with the normal policy.

**The Hon. DANIEL MOOKHEY:** That means that he probably received a package—and this comes from Treasury yesterday as well in respect of some other positions that were similar to his—of circa 38 to 39 weeks. Is that correct?

**Mr STAPLES:** I understand the policy is in the order of that number of weeks. Yes, that is right.

**The Hon. DANIEL MOOKHEY:** On notice, can you come back to us and tell us precisely what his entitlement package was?

**Mr STAPLES:** I will certainly come back and provide what information I can around that, yes.

**The Hon. JOHN GRAHAM:** Are you happy for me to refer to that now?

**Mr STAPLES:** Yes.

**The Hon. JOHN GRAHAM:** My question is: Are you aware of unlicensed electricians working in breach of New South Wales law on major projects such as WestConnex or NorthConnex?

**Mr STAPLES:** I am going to take a moment to read through. Could I clarify who is Mr Page, just to help me understand?

**The Hon. JOHN GRAHAM:** To make it easier for you, I am not seeking to press this in a particular amount of detail now. I want to know: Are you aware? I am happy for you to then take anything else on notice.

**Mr STAPLES:** I think the obvious answer is that if I was aware that a person was working unauthorised on a project then we would take action in relation to that. What I would encourage anyone to do that has got knowledge of that is to either report it to us, if it is us as a client, or to SafeWork NSW as an independent regulator. We would take any matter in relation to that extremely seriously.

**The Hon. JOHN GRAHAM:** I am happy for you to take anything else on notice. I appreciate that answer. You would be aware of the public discussion—this is now rewinding back some time—that was provoked by a leaked memo, "Failure in Critical Options Analysis", from 26 December 2016. It was in relation to the F6. It was an internal document in, I think, RMS, saying that there had not been a public transport comparison when the road option for the F6 was presented. Are you aware of that general discussion?

**Mr STAPLES:** It does go back to a time before I was secretary and a time when I was personally much more focused on the Sydney Metro project, but I am certainly aware of documents around the F6 at the time that were in the public domain.

**The Hon. JOHN GRAHAM:** So my question is: For the F6 and also for the western harbour tunnel bridges link, has Transport weighed up the public transport alternatives to those projects?

**Mr STAPLES:** I think the best place to go, because if you come forward from 2016, in March 2018 we released Future Transport 2056. That is the strategic document, but within that there is an investment and delivery strategy for the Greater Sydney region, which aligns very much with the Infrastructure NSW strategy and the Greater Sydney Commission strategy. That has a whole series of short-, medium- and long-term initiatives in it.

**The Hon. JOHN GRAHAM:** I will ask the final question on that if I might. I will ask you to take on notice—or I might come back to that, actually.

**The Hon. MARK BANASIAK:** The previous Point to Point Commissioner once stated that there would be no difference between taxis and rideshares in a few years. In meeting that statement, is it your intention to actually impose the same requirements on rideshare that exist with taxis or are you going to reduce the requirements on taxis to match rideshare? Or do you not stand by the comments from the previous commissioner?

**Mr STAPLES:** I would have to say it would be good to understand the context in which that quote was provided. It is a bit difficult for me to comment. I might ask Mr Wing to talk more generally about the way he sees the industry moving, because I would have thought it will continue to evolve. But at this stage we do not have any particular policy that would bring those two service types together.

**Mr WING:** Yes, I cannot really comment on the comments of my predecessor in that respect, but certainly the law at the moment differentiates the two in that—we have discussed this earlier, obviously—only taxis may do rank and hail and as a result they do have some additional safety obligations around particularly security cameras and duress alarms. There is not currently anything in the law that would change that. If there were a policy change that would have to be directed to the Government.

**The Hon. MARK BANASIAK:** This might be a question for RMS—I am not too sure—about the current requirements for compulsory third party [CTP] insurance for taxis and rideshare. The original figure I have seen quoted was that taxis have a CTP insurance that is probably 12 to 18 times more than rideshare. I have seen that revised down to about six times more. Can you elaborate or explain the inequity between those two, considering that they are essentially both picking up passengers in a commercial arrangement?

**Mr STAPLES:** I might just look to the Point to Point Commissioner first to see whether he feels he can respond to that.

**Mr WING:** I guess the answer to that is that CTP is managed for all vehicles, not just taxis and rideshare, by the State Insurance Regulatory Authority in the customer service department, so they would have to answer any questions.

**The Hon. MARK BANASIAK:** Okay. I might save that for a question from another industry. Just going back to a previous question regarding the transport levy that I asked before the break, I asked about the intention of when it would pass. I have sort of found an answer to my own question. In the forward estimates it states that the personal transport levy, which I am assuming is the levy that we are talking about, seems to trickle out in 2023, with a predicted payment in 2023 of about \$8 million. Taking your figures on board, Mr Wing, in terms of what has been collected so far, over this period I have done a rough calculation that you would actually have around \$445 million accrued from the levy at the end of 2023. Given that this has essentially come from customers and the taxi industry and not the Government, would it be a fair assessment to say that the Government has actually contributed nothing, but found itself a fairly nice money spinner?

**The CHAIR:** Mr Wing, just before you respond to that, I remind members to please keep their conversations quiet. It is distracting and difficult to hear. Thank you.

**Mr WING:** I think there are two parts to that answer. Firstly, as we discussed earlier, the way the law works at the moment is I as commissioner will collect the levy until such time as the Minister issues a notice to halt it. That is a policy decision for the Government. The Government, I believe, has made statements effectively that it intends to collect the levy for up to five years or until such time as the industry assistance funds are collected—I guess that is the \$250 million that they were talking about. But as to when exactly they would stop it would again have to be directed to the Government.

**Mr STAPLES:** Just to emphasise the point here, the intention of the levy is to raise money to support the industry transition, not as a more general levy at this point in time. So we will manage the flow of that in that regard.

**The Hon. MARK BANASIAK:** But based on a modest figure that you have stated it clearly goes beyond that \$250 million. So I guess my question would be: What is planned to be done with the remainder of that money considering that the Government has only stipulated that \$250 million would be delivered?

**Mr STAPLES:** We have not reached that point at this stage. Obviously in advance of reaching a figure of \$250 million the Government will consider what policy position it takes around that as to whether they want to continue to raise that levy. At this stage there is no intent, as far as I am aware, to continue past that amount.

**The Hon. MARK BANASIAK:** Okay. Given the differences that have been outlined by me and obviously the witnesses here regarding the different requirements on both rideshare and taxi—and I take some of the points in terms of why rideshare has certain requirements and why taxis do not—but considering that they are essentially performing the same duty or same task, would it be a fair assessment to say that currently there exists an unfair work environment that favours rideshare over taxis, based on the differences?

**Mr STAPLES:** I think as Mr Wing outlined before, they are essentially offering a different product and we have needed to look at that product offer and the assurances that we need to place around that. With the rideshare option and the technology and essentially the knowledge of the driver and the customer in terms of database and so forth, that provides a particular environment for us to get the safety assurance. When you are doing roadside pick-up it is a very different proposition, so that is why we need a different regulatory regime and that is the reason why they have adopted that. Individuals may see inequities around that, but the lens for this is ultimately around the best customer outcome. The transition processes we have in place are trying to manage the fact that it has caused changes in the industry. The whole intention of bringing that legislation in was to focus on customer outcomes and provide more options for customers to be able to move around and use whichever means they wish to use, whether it is kerbside pick-up or the different technologies that are available for rideshare.

**The Hon. MARK BANASIAK:** Would you not agree, though, that the essence of the product is essentially the same? They are both providing a private transport option, point to point transport. Regardless of whether it is kerbside pick-up or an app-based product, isn't the product essentially the same?

**Mr STAPLES:** There are absolutely common elements and that is why there is one point to point legislation that covers both and that is why we have one Point to Point Commissioner who is overseeing the entire industry. I think all of those signals are there by the way we have constructed the law, and the way we have constructed the policy and the regulatory oversight of it. Where the differentiators lie within that is to deal with

the safety assurance of the customers and the different approaches. One requires a more prescriptive statement around taxis such as the cameras that Mr Wing referred to before, because what other means do we have to provide some sort of protection for both driver and customer. Whereas in the rideshare environment, which is not just Sydney or New South Wales making that up, but obviously coming from global suppliers and global practices, we get a different environment where the knowledge of the customer and the driver comes through different means, which gives us that opportunity to provide more of a market-based approach.

**The Hon. MARK BANASIAK:** Thank you.

**The CHAIR:** I have a couple of questions on a few different areas. The first is in relation to the inner west light rail and the ongoing issue of overcrowding. What is the plan to address that in both the short and long term?

**Mr STAPLES:** I will hand to Ms Mildwater, who has oversight of all transport modes, including the inner west light rail. It would be fair to say that it has been a very popular service during the week and over the weekends, not just in the city but out to the inner west.

**The Hon. SHAYNE MALLARD:** As will be the CBD east when it is operating.

**Mr STAPLES:** Yes, and I think that sends a really good signal about what we can expect in the months ahead when the Sydney light rail goes live, but I will hand to Ms Mildwater to give you a bit more of an overview of what we are doing with the inner west.

**Ms MILDWATER:** As the secretary said, it has proved to be a very popular service. There were 10.7 million trips on the inner west light rail in the last financial year. It has been increasing ever since the introduction of Opal back in December 2014. We do recognise the load that that places on the service. Since January 2016 an additional 220 services have been provided, principally in the peak periods, in addition to additional services for special events such as Vivid and Anzac Day, when it gets particularly crowded.

Overcrowding, I think it is fair to say, is the major source of complaints, and it is worse in the peak since we have added those extra services, and we have been investigating additional vehicles for a while now. It has turned out to be perhaps more complex than we first thought, but investigations are underway and we are intending to procure four extra vehicles for the service. That would make us able to operate at a six-minute headway in the peak period. We are currently also finalising a business case to upgrade some technology on the project, including vehicle location technology, which would assist with the speed of the services, but we need to finish that business case first before we seek the funding.

**The CHAIR:** Is the light rail fully accessible?

**Ms MILDWATER:** Let me just check exactly. Yes, the current vehicles are low-floor modern vehicles that provide accessible features, such as hearing loops, priority seating and wheelchair spaces.

**The CHAIR:** Are the individual units on the light rail called "trams"?

**Ms MILDWATER:** Yes, you could call them trams.

**The CHAIR:** Are all of the trams accessible?

**Ms MILDWATER:** Yes.

**The CHAIR:** Is the new stock that you will be sourcing of a different type to what you have now and will it be fully accessible?

**Ms MILDWATER:** Mr Pascall might be able to talk about the vehicles.

**Mr PASCALL:** The vehicles that are currently in use on the inner west light rail are of CAF manufacture and they have easy access in and out of the vehicles themselves, not dissimilar to Sydney light rail, though we are using a different vehicle, the Alstom Citadis version 5, which is one of the new vehicles that obviously has step-free access in and out of the vehicles, dedicated areas within the vehicles and a lot of standing area as well so that we are able to accommodate people in wheelchairs and mobility impaired people.

**The CHAIR:** I am going to ask a couple of very specific questions about buses in the eastern suburbs. In relation to route 389, the Pymont to Bondi Junction service—

**The Hon. WES FANG:** That is specific.

**The CHAIR:** It is specific. Apparently this now terminates at Bondi Junction instead of continuing to Bondi Beach as it used to. Do we know the reason why that was truncated?

**Mr STAPLES:** That service falls under State Transit, so I might hand to Mr Faurby.

**Mr FAURBY:** Route 389 is Transit Systems.

**Mr STAPLES:** My apologies, I am going to go back to Ms Mildwater, who may choose to take it on notice.

**Ms MILDWATER:** I am sorry, could you repeat the question? I was thinking it was STA.

**The CHAIR:** That is okay, it is the Pymont to Bondi Junction service, route 389, which now terminates at Bondi Junction instead of going all the way to Bondi Beach.

**Mr STAPLES:** I think it would actually be worth getting Mr Faurby to give you an overview of the service change that has happened in that area, because it is actually about an integrated service offer and we have a new 333 Bondi Beach to the city service, which I think Mr Faurby can give you some really good understanding of, and that will give some context about why we have adjusted other services.

**The CHAIR:** I understand that there have been a number of complaints made, maybe not directly to the department, but to the Woollahra council in relation to this, so it is an actual issue.

**The Hon. CATHERINE CUSACK:** Because they do not like changing.

**The CHAIR:** That is right, they do not want to have to catch two buses, particularly when they are crowded.

**Mr STAPLES:** As a general rule it would be fair to say that we expect more interchanging to occur in the years ahead, with more frequent services. Historically, when we had lower demands on corridors, we could do more of what we call bespoke services, but as our corridors get busier and our customers want higher frequency, service designs are migrating much more towards high-frequency crossing and high-frequency services, and providing interchanges and so forth, but I will get Mr Faurby to give you a bit more about the 333.

**The CHAIR:** Again I am a bit time limited, but I also want to know if there was any kind of consultation with the community before that truncation of service was made.

**Mr FAURBY:** The short answer to your last question is yes, indeed there was. We spent an excessive amount of time consulting with the community about the changes that were recently made in the eastern suburbs, so that relates to services from Vaucluse through to Bondi and also further down into the Tamarama area and all those services as they go into the city, through to Circular Quay for some services and also to locations or areas within the city. The main purpose of what we did in the eastern suburbs was to, first of all, listen to what our customers had told us, and that was that they wanted ultra high-frequency services, turn up and go services, where they did not have to worry so much about timetables because the frequency was such that they could basically turn up and there would be a bus within three minutes, if it is in the peak, six minutes if it is off peak, or 10 minutes at night. For that reason we introduced the Bondi Link, also known as the 333, which runs from Bondi to Circular Quay.

The reason I mention that example is that it is a good example of what the secretary refers to here, namely, to make the best possible use of buses, but also the best possible use overall of the various transport options that we have, including trains, because the new services are designed such that customers have a choice to either stay on the buses from point to point, from point A to point B, or take the option of getting off at places such as Bondi Junction interchange and jumping on a train, perhaps cutting a little bit of time off their overall journey if they go to the city. That was the foundation or the basis for which we designed and there was a fair bit of consultation taking place and community engagement taking place when those changes were made. As to the service that you talk about, it is a service that is operated by Transit Systems, so I am not entirely sure what consultation went on.

**The CHAIR:** Can I ask another specific question, which Mr Fang will no doubt deride me for—

**The Hon. WES FANG:** Never.

**The CHAIR:** Apparently the bus drivers of services 324 and 325 during the after-work peak hour get to Edgecliff station, turn off the engine and change shifts, and the question that the community is asking—

**The Hon. WES FANG:** The community?

**The CHAIR:** The community through their councillors are asking why they are changing shifts during the middle of an after-work peak hour service.

**The Hon. CATHERINE CUSACK:** What time is this?

**The CHAIR:** After-work peak hour.

**The Hon. WES FANG:** No specific time?

**The CHAIR:** I do not have the specific time. I would assume after-work peak hour is from five to six.

**The Hon. WES FANG:** Probably because that is when the shift change happens.

**The CHAIR:** Yes, but why does the shift change happen at peak times?

**Mr FAURBY:** I would like to provide a more comprehensive answer as to specific rosters, but what I will say is that we are always seeking to optimise the use of buses as well as our bus drivers to the point where we get the most possible time of drivers behind the wheel, servicing the community. Back in the day we used to take buses back to depots and have all the changes happen there, which would lead to an excessive amount of what we called debt running, where buses would run out of service between one point and another. It makes a lot more sense from an economical perspective, and certainly from a customer perspective, to make those changes en route so that buses serve as many in-service hours as they possibly can. I would like to think that that is the reason why we do it this way.

**The CHAIR:** All right, I will pass that back.

**The Hon. CATHERINE CUSACK:** Can I ask, not in any ironic way, is it because there are people on the bus?

**The CHAIR:** They are having to sit and wait for 10 minutes in the middle of the peak hour commute, that is right—10 minutes addition to their trip.

**The Hon. CATHERINE CUSACK:** It think it is a fair question. I just wanted to understand.

**The Hon. SHAYNE MALLARD:** Thank you to everyone for being here so late. My question is to Mr Collins, earlier today you briefly touched on the benefits to the heavy rail system, particularly the city loop, of the conversion of the Bankstown standalone line to metro rail. I would like to explore further what those benefits are to the heavy rail system. Maybe start with the situation we have now and the solutions that have been tried. I know there have been some attempts before, and then what this will do?

**Mr COLLINS:** Thank you very much indeed. I would love to have a whiteboard or a diagram of the Sydney network, but I will try to describe it in simple layman's terms. What we have at the moment is a series of lines that connect either in the north-south region over the harbour bridge or around the circle line, with one or two exceptions. Those have to feed in. It is a bit like a roundabout with a series of access points on the network. The difficulty we have is that roundabout is limited to about 16 trains an hour. If you try to divide that by three or four services you can understand why you can only offer, for example, on the Bankstown line with a city circle experience probably a train every eight minutes, or 15 minutes in the off peak. The benefit of putting less of those branch line services and having more independent structure, a bit like Shanghai or London Underground, where you have independent lines, does give you a reliability performance issue and it also frees up some space on that limited service, even with the current signalling system.

That is the advantage of taking the Bankstown line off where it has to merge and sort of slot in, a bit like a filter on a motorway, onto the highway of Sydenham and then get onto the loop services around the City Circle. The advantage is that if those customers in the future have a direct route, those platforms, numbers one and two get converted, and what is great about that is that it means it is not a separate line down the road you have to wander off and find, it is actually integrated in part of Sydenham station, it is taking over platforms one and two. And the cross-platform interchange or a short use of the step-free access, which is again being installed by metro, means that you can go directly into the city. There are many stations on the city and south-west service for metro that are very parallel to ours, Town Hall to Pitt Street, Barangaroo to Wynyard, as I talked earlier, that will give us the opportunity to provide more services and free up the City Circle.

In addition to that we all know that even though you build more lines, customers turn up in larger numbers because public transport is a viable alternative in a city growing from five million, possibly to eight million people in the next 10 to 20 years. It frees us up to upgrade the existing network. It allows us to focus on the upgrade of the City Circle line giving a capacity using digital systems I talked about earlier of between 20 to 24 trains an hour and generates greater capacity. So that is really, if that is clear enough, what allows us to operate the City Circle with less disruptive services. At the moment, if you think about it, disruption on the Bankstown line, or the Airport Line, or even the T1 corridor all could affect the City Circle. Whereas, metro, completely independent, means there is less disruption and risk of delays on that City Circle line.

**The Hon. SHAYNE MALLARD:** I think you said one in eight trains off peak taken out of the city loop?

**Mr COLLINS:** Yes. What it will do for us, not only during the peak but the off peak, is give us more capacity, particularly on that Airport Line. Users know that it is the best way to get to the airport. It is a very short journey. It is very reliable. People hop on at platform 23 at Central or further around and the train obviously from that Airport Line comes back the other way through the City Circle but in the anticlockwise direction. That gives us a core corridor, Airport Line particularly, through the City Circle getting customers, tourists and business people into the CBD

**The Hon. SHAYNE MALLARD:** The Airport Line, you will take the Bankstown trains off that merge point?

**Mr COLLINS:** Yes. Instead of having an Airport Line train, a Bankstown line train, a T1 line, you will end up with actually less congested services and more people able to catch those services.

**The Hon. SHAYNE MALLARD:** Will it give you the capacity to introduce additional heavy rail services for, for example, Penrith to the city, North Shore line?

**Mr COLLINS:** It certainly will because obviously the freeing up of the central core corridor, and certainly the proposal for the service that we now run every three minutes from Parramatta to the centre of Sydney and back again, the advantage of the digital systems is that it does give us even greater capacity. We have six lines on the corridor between Central and the route towards Parramatta, and that allows us to operate services now, often 30 to 40 services. Digital systems will allow even a couple of those lines being converted up to 24 trains an hour, still using double-deck trains, still using the capacity we have on the network, shifting 2,000 people per train into the CBD. More metro—I am all for metro, it is an additional capacity. When we built the Jubilee extension it was not to try to take customers away from other lines, it was developing a new technology with new capacity.

**The Hon. SHAYNE MALLARD:** I am aware that the siding at Redfern was an attempt to relieve pressure on the lines by a previous government. There have been bandaids solutions. This is a strategic solution. Am I right in saying that?

**Mr COLLINS:** I think what has, not overwhelmed but been an amazing achievement is in the past six years we have seen a 35 per cent maybe 37 per cent increase in the patronage on the network.

**The Hon. SHAYNE MALLARD:** I have seen it when I catch a train.

**Mr COLLINS:** It does mean customers are finding the place more crowded and there are less seats available. We have tried to do all we can to improve those services, reliability and capacity. If you want to take the next step when we do not see the numbers backing off, unlike Melbourne where there is a growth of 1 per cent per annum, we are seeing 5 per cent to 6 per cent per annum on our network. We really do need to get the next step. One is metro coming in, in various forms, and the other one is upgrading our existing network, as well as creating a more reliable network.

**The Hon. SHAYNE MALLARD:** I am assuming the west and Parramatta metro is another part of that solution?

**Mr COLLINS:** Yes. And I would say that if anyone thinks that the tumbleweed will be blowing down the corridors of my old railway once Sydney Metro West gets built they are completely deluded. What we will find is we are going to see a great switch of people once we get a network that is deserved of this city, into public transport, rather than people finding that they have not got a public service. Many of my staff travel in from Kellyville, from Cherrybrook. They are absolutely delighted. They have a choice of public transport for the first time.

**The Hon. CATHERINE CUSACK:** I would like to ask about the Opal card. How is the Government's decision to reduce the weekly public transport cap to \$50 benefiting customers and can you update the committee on the rollout of contactless payments?

**Mr STAPLES:** I might hand to Ms Mildwater. Obviously, it is early days on the cap being introduced, but we are monitoring that. The real strategic advantage of that, obviously the cap is at \$50 so for those who have been exceeding \$50, which is either a very heavy user, someone who uses the system a lot across the week, or someone who is travelling long distances, the big benefit for them is once they get to that, why would you stop? They will just keep using the system.

**The Hon. CATHERINE CUSACK:** Is the airport in the cap or is that additional?

**Mr STAPLES:** The access to the airport stations is a separate charge. I might just hand to Ms Mildwater to talk a little bit more about that as well, as I think, particularly the rollout of the contactless, which started on ferry, moved into rail, but is now moving into bus, is going to create a great end-to-end solution for our customers.

**Ms MILDWATER:** It is fair to say customers have taken almost three billion trips on Opal now, with about 60 million journeys each month and 4.4 million customers, and there have already been more than five million journeys by more than one million contactless transport payments. As the secretary said, contactless started last year. We rolled it out into the heavy rail in December and we are currently rolling it out on buses. It has been a month now since we went live with the first buses and at the same time we went live with Opal parity so that if you are using contactless payments you get the same benefits as if you were using an Opal card. During the last month there have been 1.29 million contactless trips including 35,000 bus trips, which is pretty good considering it is only on some buses so far.

For the last four working days alone the daily volume of bus trips has been over 3,000 per day using contactless and they have been growing in the past six working days. As a percentage of adult Opal and single trip tickets contactless is currently only 3.33 per cent, but it is increasing and we would expect it to increase dramatically once we get the remainder of the buses rolled out and therefore you can use it on every mode and get the full benefits. We expect that to happen by the end of September.

**The Hon. CATHERINE CUSACK:** So you do not need an Opal card anymore, in effect?

**Ms MILDWATER:** Yes, you can use your phone or your watch or your Opal card if you want.

**The Hon. CATHERINE CUSACK:** But if you did not have an Opal card, like if you were a visitor—

**Ms MILDWATER:** If you did not have it with you or if you are a visitor one of the great benefits is being able to use your phone. It is easy to travel effectively on any system. When other systems get them as well you can use your credit card wherever you are. So, yes, if you are a visitor to the city you do not need to buy an Opal card just for your stay.

**The Hon. CATHERINE CUSACK:** Can I just ask you to clarify, in relation to concession holders are contactless payments an option?

**Ms MILDWATER:** Not at the moment but we are working on that fix and we hope to have that out next year as well. So by then it can replace concession cards as well.

**Mr STAPLES:** I might just add, I have worked in transport for a bit over 10 years and it is hard to think of a product or an initiative that we have had that has had a bigger impact on the usage of our system over that period. Mr Howard talked about some of the patronage growth on Sydney Trains; a lot of that will be associated with the fact of the convenience that Opal has delivered. For us it has opened up our lives to just thinking differently about the customer. In the past the customer had to think about multiple journeys, multiple transactions. What we have done is unlock a lot of barriers in those exchanges from mode to mode where you do not stress in your mind anymore, "Will I change here? Am I going to have the right money? Am I going to be able to pay? How much is it going to cost?" because you have got a seamless system. Essentially what it has done is open up to looking at the way customers can be given more tools to be able to move through more seamlessly. The evolution to things like contactless where people do not even need to subscribe to Opal is almost the next generation and we, through technology, can see that continuing to provide better customer outcomes in the years ahead.

**The Hon. CATHERINE CUSACK:** Which is great.

**Mr STAPLES:** It has had a really profound impact on patronage, a really profound impact on people's willingness to leave the car behind or not have a car because of the convenience of the product. We are starting to tie it together with other service offers. We have got organisations like Uber and other rideshare providers coming to us now saying they want to connect their service with Opal, and we have made a recent announcement that now someone will do a search through their Uber account and they will be given public transport options through that. That has been enabled by the fact that we have got this Opal product. So instead of going all the way across Sydney in an Uber they will be given a choice of getting an Uber to the station and then taking a train. So you are starting to really have profound shifts in terms of putting options in front of people to be able to travel.

I talked a little bit earlier about the end-to-end journey focus that we are having now. It is a big driver out of our future transport strategy to not just service people from one point to another but actually think about the whole seamless journey—integrating Uber, integrating your own private vehicle, driving to a train station, being able to conveniently park knowing that there are parking spaces available. It will be a seamless movement

with the Opal card whether it is through an Opal card that they have got or through the contactless system that is there. We see that really starting to shift and provide more benefits for our customers.

**The Hon. CATHERINE CUSACK:** For someone like me, I just get an Opal card and I can get it anywhere because I am not looking at a concession, but people who are concession holders are often more dependent on public transport as their only mode. I know that they need to apply to the Opal card people at the moment and I am interested to know if there can be more options for them—Service NSW or other places.

**Mr STAPLES:** The key enabler for having contactless has been working with industry, particularly the banking industry and the likes of Mastercard to look at how we get over the hurdles and the barriers to being able to deliver those systems. Obviously the first step has been if you have got a credit card then you can use it; when you move into concession it starts to say, "Who holds the credit card?" So we are still working with the banking industry about how can we make it easy for customers if they are already a concession holder through the credit card; we can get the knowledge of those sorts of things to be able to enable that.

**The Hon. CATHERINE CUSACK:** My interest is let us assume they do have a credit card, and many people do, we know that, who do they have to demonstrate to that they are a concession holder? Who do they go to? Is it still going to be Opal card or will Transport for NSW allow them, for example, to go to Service NSW and get that concession accredited?

**Mr STAPLES:** A good question.

**The Hon. CATHERINE CUSACK:** It is a really important issue for them.

**Mr STAPLES:** Across government—and I obviously work with secretaries in other clusters and we have a new customer service cluster—the big thinking that we have got is how we make the citizen experience simpler and easier and not have to do multiple things for the same thing. So those types of things, I cannot say that that product is there today where they only have to do it once. But the aspiration, either through Opal or through contactless, is that it can be done more easily. The main point I make is that concession is available but, yes, you have to have an Opal card and you have to have demonstrated to us through the Opal system that you—

**The Hon. CATHERINE CUSACK:** Correct, and can we have a journey other than the Opal system to demonstrate to you that they are a concession holder?

**Mr STAPLES:** Ideally it might come through a mechanism through the banks, for example, where if they have got a credit card there is a particular category of that so that they have been able to demonstrate and then they can do it through that or we can do it through Service NSW. All of those things are being thought about at the moment. The ultimate end game here is to make it easier for the customer and not have to fight to get into that sort of situation.

**The Hon. CATHERINE CUSACK:** And it will give them face-to-face points of contact which they just do not have at the moment. Thank you.

**The Hon. WES FANG:** I want to find out about customer satisfaction, just leading on from the Hon. Catherine Cusack's question. Are customers satisfied with the transport services they use and how does Transport for NSW monitor this?

**Ms MILDWATER:** We do monitor customer satisfaction regularly and in fact we have just reported our most recent customer satisfaction results. I think overall the results show you that customer satisfaction is generally increasing. I could give you a general overview and then I might perhaps throw to Mr Collins and Mr Faurby to explain more because both trains and buses have shown recently significant increases in customer satisfaction in the most recent report. The other thing is that for the first time metro was included because this was its survey and we have heard a 95 per cent customer satisfaction rate on metro. The driving factors there were that people were most satisfied with factors such as cleanliness and accessibility, although I think we get plenty of soft feedback that they are very satisfied with other things as well.

Overall, Sydney Trains satisfaction was up three percentage points, which is a pretty significant move in one measurement period, and they are measured twice each year. They were up three percentage points to 98 per cent. I think the aspects that customers were most satisfied with were ticketing, safety and security, but I will let Mr Collins expand on that in a minute. A couple of other highlights is that the NSW TrainLink intercity result was 90 per cent—the second highest on record—and our overall bus satisfaction also rose to 91 per cent, which was up two percentage points from the last measurement.

**In relation to buses generally, I think customers were most satisfied with safety, security and ticketing. The STA result was 92 per cent, equal to the highest on record for STA. That was driven partly**

by an improvement in timeliness, but I will let Mr Faurby speak to that in a second. Overall the ferry satisfaction rate rose to 98 per cent, up 1 per cent. Ferry customers are typically very satisfied and have been for some time.

**The Hon. WES FANG:** It is a great service.

**Ms MILDWATER:** Yes. The drivers of that increase were mostly safety, security and accessibility. Light rail remains stable, maybe with a slight decrease. It remains pretty stable at 91 per cent to 92 per cent.

**The Hon. WES FANG:** That is still pretty high.

**Ms MILDWATER:** It is pretty high, yes. We do also measure road customer satisfaction. I suppose the overall takeaway there is that customer satisfaction was pretty stable. Overall private vehicle satisfaction did rise a couple of percentage points, up to 85 per cent. The feedback would indicate that customers are most satisfied with licensing and registration, signage and markings.

**The Hon. JOHN GRAHAM:** Thank you for that answer.

**The Hon. DANIEL MOOKHEY:** If you need time to recover from that devastating examination let us know.

**The Hon. JOHN GRAHAM:** I might return to where I was previously on the question of public transport alternatives. To rewind and remind you where we were, I accept your answer that the Future Transport Strategy has provided a framework for public transport and roads to sit beside each other. But the earlier suggestion about the F6 was that there was a government or Cabinet direction to not provide a direct comparison. My question is this: Has there been any government or ministerial direction that would bar a direct comparison between a public transport alternative with a road alternative in relation to the F6 corridor?

**Mr STAPLES:** No, certainly not. In fact, with the direction we are going with Transport for NSW and RMS coming together and Ms Mildwater's role of overseeing the network as a whole, more and more we are looking at this as a combined and total network.

**The Hon. JOHN GRAHAM:** I am pleased to hear that. That is certainly the case in the public discussion. I just want to ask the same question in relation to the Western Harbour Tunnel and Beaches Link. There is no direction in place for that?

**Mr STAPLES:** In what regard?

**The Hon. JOHN GRAHAM:** There is no government or ministerial direction that would not allow a comparison between a public transport option and a road option for those corridors?

**Mr STAPLES:** Sometimes these things are categorised as being competitive, as opposed to being complementary. If I go back to the case of the F6 for a moment, really what we are talking about is the St George area of Sydney and the Sutherland Shire area of Sydney, which links down towards the motorways to Wollongong and the rail. Clearly at the moment the commitment is to bring the F6 down to President Avenue in Kogarah. But if you look at the strategy, we have also got the investment going in, and I am sure Mr Collins could expand more on this in terms of—

**The Hon. JOHN GRAHAM:** I am not really looking at the strategy. There was an internal document that said there was a direction to not directly compare. I just want an assurance that that was not the case for either of those corridors.

**Mr STAPLES:** Absolutely not.

**The Hon. JOHN GRAHAM:** Thank you.

**Mr STAPLES:** We are taking a very joined-up and integrated approach. Whilst something like the Western Harbour Tunnel and Beaches Link—

**The Hon. JOHN GRAHAM:** Was it considered in the business cases for those projects? Has a comparison been made in those business cases?

**Mr STAPLES:** I think it is more a case of looking at what the opportunities are for public transport when you do the business cases. For something like the beaches link, it would be what more we can do with the surface transport network and what public transport services we can run through that—

**The Hon. JOHN GRAHAM:** I might leave that there. I do not want to put this to you suddenly, but on notice could you have a look at the suggestion about the 26 September 2016 memo entitled "Failure in Critical Options Analysis" and describe why, given what you have said, that memo makes a different claim?

**Mr STAPLES:** I am happy to, but I will also emphasise the date of 2016, given that we have released the Future Transport Strategy since then.

**The Hon. JOHN GRAHAM:** Yes, I presume that will be your answer.

**Mr STAPLES:** Yes. I am happy to take that on notice.

**The Hon. JOHN GRAHAM:** Secondly—and rapidly—I am going to put to you another roads issue, this time relating to Myuna Bay. For background, the Myuna Bay Sport and Recreation Centre has been closed. The issue is a risk that was identified with the ash dam from Eraring Power Station in the event of a major earthquake. The centre closed and the locals are worried about it being closed and sold off. That is their concern. Wangi Road that runs through that area is still open, despite the fact that it is closer to the dam than the sports centre. Why is it the case that one is not safe and the other one is?

**Mr STAPLES:** I will look to my left to see whether Mr Hardwick has anything on that issue.

**Mr HARDWICK:** I do not have anything on that with me but I will take it on notice.

**The Hon. JOHN GRAHAM:** Thank you.

**The Hon. DANIEL MOOKHEY:** Secretary, earlier today we established that the litigation with Alstom is completed and a settlement deed was entered into circa 31 May 2019. Can you confirm that those matters have been withdrawn from the Supreme Court?

**Mr STAPLES:** I have one point of clarity. The settlement was with the ALTRAC consortium—the PPP provider and supplier and D and C contractor as part of the joint venture. The misrepresentation claim has been withdrawn. That was part of the settlement.

**The Hon. DANIEL MOOKHEY:** In order for Transport for NSW to engage in that litigation process did you retain the services of an external law firm and, if so, which one was it?

**Mr STAPLES:** I cannot recall the name of the firm. I think you will notice that there was some material put forward to the House through the standing orders. Yes, we definitely had legal advice around that.

**The Hon. DANIEL MOOKHEY:** Do you have available to you all the costs that were incurred by Transport for NSW in participating in that court action—not just the legal costs but all costs? What was the bill?

**Mr STAPLES:** I certainly do not have a number at hand, but it would largely be the legal support, because the rest of the work done in-house was with the project team that would have been working on the overall project. It would be hard to put a number on it outside of the legal costs.

**The Hon. DANIEL MOOKHEY:** Is it possible for you to come back to us on notice and tell us the precise costs that were paid in all connections—

**Mr STAPLES:** Can I just clarify, are you talking specifically about the misrepresentation legal process?

**The Hon. DANIEL MOOKHEY:** Let's go with all the litigations around that particular project. It would be good if you could provide on notice an update as to precisely how much money was spent on all the litigations.

**Mr STAPLES:** I am happy to take that on notice.

**The Hon. DANIEL MOOKHEY:** The CBD light rail still takes 37 minutes from Kingsford to the city. Is the target still 37 minutes?

**Mr STAPLES:** I am happy to get Mr Pascall to give a bit of an overview of where we are at in terms of finalising—

**The Hon. DANIEL MOOKHEY:** No, I am not looking for an overview. I just want to know whether it is still the case that it takes 37 minutes to get from Kingsford to the city and 34 minutes from Randwick? I may have gotten them confused.

**Mr PASCALL:** We have been going through the traffic modelling. In the first instance we have got traffic modelling because we have got to put the light rail overlay onto the existing road network. We have been working through the traffic modelling, which is an interesting process. We have obviously been taking into

account the network demands and the crossroads of the city. Our preliminary traffic model at the moment—and this is the journey time from Circular Quay to Randwick—is within the estimated times of 38 minutes to 40 minutes.

**The Hon. DANIEL MOOKHEY:** It will take 38 minutes to 40 minutes to get from Circular Quay to Randwick?

**Mr PASCALL:** That is correct.

**The Hon. DANIEL MOOKHEY:** Have you got the number for the other leg?

**Mr PASCALL:** No, I do not have the number for that leg with me. But I can take that on notice.

**The Hon. DANIEL MOOKHEY:** Why not, by the way? It is a pretty straightforward question. The only reason I ask is that the now coordinator general has said that it was to be 34 minutes. I could be wrong but those figures were previously publicly available. I am just asking.

**Mr STAPLES:** My understanding is that it has been around the 37-minute mark.

**The Hon. DANIEL MOOKHEY:** With that 38 minutes to 40 minutes, how long will people be waiting at intersections?

**Mr PASCALL:** Are you talking about road intersections?

**The Hon. DANIEL MOOKHEY:** Yes. Of the 38 minutes to 40 minutes, with the signalling that is required and the integration of the signalling with RMS, for just how long will people be waiting at traffic lights? That was something that was required to be modelled. Do you know?

**Mr PASCALL:** We are still working through that. We have obviously got a baseline at the moment with regard to traffic modelling. I do not have each of those intersections here. I might pass to Mr Hardwick—

**The Hon. DANIEL MOOKHEY:** Before you do, can I just ask whether, at the time that the contract was entered into, advice was provided to then transport Minister—

**The Hon. CATHERINE CUSACK:** Point of order: When the Hon. Daniel Mookhey says, "Before you do", and then asks another question, does that mean he no longer wants that original question answered?

**The CHAIR:** If you could clarify when you ask a question—

**The Hon. DANIEL MOOKHEY:** I will consider the answer complete, which is a liberty that is available to members that are asking the question. At the time that the contract was entered into was it not the case that the transport Minister was advised that a person is likely to be waiting for eight minutes at intersections? Was that the case?

**Mr PASCALL:** I am not aware of what was said at that point in time in regard to the Minister.

**The Hon. DANIEL MOOKHEY:** Is it the case that Transport for NSW said to the Auditor-General in 2016 as part of its performance order that this modelling was completed when, in fact, at the time Transport for NSW knew that it was not?

**Mr PASCALL:** I cannot comment on that in regard to what the Auditor-General said at that point in time.

**The Hon. DANIEL MOOKHEY:** Mr Staples?

**Mr STAPLES:** No. That does predate my knowledge and involvement in the project. I think the important thing at the moment is that we are really focused on bringing this into service and Mr Pascall and Mr Hardwick have both got key responsibilities to refine the operation of those intersections. We are moving along from theoretical modelling into focusing on bringing this into practice—

**The Hon. CATHERINE CUSACK:** Point of order: It is the 2019 Budget Estimates. I know that there is a lot of latitude, but an Auditor-General's report in 2016? It would have been an awesome question in 2016, but it is now 2019.

**The Hon. DANIEL MOOKHEY:** I think you just should allow me to develop a line of questioning because it will become quite clear right now.

**The Hon. CATHERINE CUSACK:** Mr Mookhey, is it relevant to—?

**The Hon. DANIEL MOOKHEY:** Yes. The next question makes it clear. Is it the case that Transport for NSW has been advised this is one of the key risks that the project is facing and it has, in fact, received multiple notifications and that it is possible that there has been incorrect advice provided to the Auditor-General and such notification for Transport for NSW has been received in the past 12 months.

**The Hon. CATHERINE CUSACK:** Is that 2016 you are referring to or 2019?

**The Hon. DANIEL MOOKHEY:** The question is clear.

**Mr STAPLES:** I am not aware of that, but I am happy to take it on notice and see if there is any recording in the department about a notice of that kind. But I am not personally aware of anything around that.

**The Hon. JOHN GRAHAM:** Thank you for the answer. Can I just step through a range of projects and I am just interested here in particular in the completion dates for those. The first of those is the Rozelle interchange. Could you just give us an indication about what is the advice you would like to provide to the committee about the completion date for the Rozelle interchange?

**Mr STAPLES:** Just give me a moment and if I struggle to find it I can always hand to Mr Hardwick. Rozelle interchange otherwise known as WestConnex Stage 3B. At this stage the contract has been awarded, the tunnelling should begin early next year and our current program is to have it open to traffic by the end of 2023.

**The Hon. JOHN GRAHAM:** That is different to the Transurban advice on 7 August to the stock market. It has obviously got quite strict regulations about its obligations, but would you like to explain the difference?

**Mr STAPLES:** At the moment—

**The Hon. JOHN GRAHAM:** It says 2024, by the way.

**Mr STAPLES:** It is actually not Transurban who is building it.

**The Hon. JOHN GRAHAM:** I understand.

**Mr STAPLES:** It is actually Transport for NSW, RMS that is overseeing that with the contractors—

**The Hon. JOHN GRAHAM:** It is clear on that as well, by the way.

**Mr STAPLES:** I am giving you the advice that I have from a team.

**The Hon. JOHN GRAHAM:** Would you mind taking that on notice, that discrepancy?

**The Hon. CATHERINE CUSACK:** Take what on notice?

**Mr STAPLES:** Yes, I am just trying to understand what you want to do.

**The Hon. JOHN GRAHAM:** I will put that is a supplementary question if you are not clear. When will the Gateway project be complete?

**Mr STAPLES:** Sydney Gateway. As you know we have to started a market process around that and we are currently due to ideally award or start the planning approval process at the end of this year, and we will be targeting completion of that at the end of 2023. But we have to go through a market process so that is obviously still in an earlier phase. At this stage it is not as complex a piece of work as Rozelle interchange, which has a significant amount of underground works as opposed to Gateway being largely on the surface.

**The Hon. JOHN GRAHAM:** I just want to skip through a range of these if that makes it easier. The Western Harbour Tunnel and Bridges link, what is the advice you would like to provide to the Committee, understand there is still an investment decision to be made, what is the advice there?

**Mr STAPLES:** The Western Harbour Tunnel and Beaches link, I think as an overall we are expecting to start some form of construction next year with the completion in about 2026 but there are significant milestones around planning approvals and procurement to go through before we confirm those timelines.

**The Hon. JOHN GRAHAM:** I understand those. And the F6?

**Mr STAPLES:** The F6 is targeted for completion in 2024.

**The Hon. JOHN GRAHAM:** Thank you. And the M12?

**Mr HARDWICK:** The M 12. We are expecting to open that in late 2025, in time to the airport opening.

**The Hon. JOHN GRAHAM:** Thank you. And as one final question in relation to the Gateway project. There was an announcement about this recently, will the Gateway project as it is currently envisaged include heavy vehicle ramps?

**Mr STAPLES:** Sorry. What do you mean by heavy vehicle ramps?

**The Hon. JOHN GRAHAM:** The whole idea of this project was really built around the port and airport area and it is integral to the Government's goals around getting transport onto rail. I just want to know, the ramps that are currently planned for the Gateway project, will that include ramps that are specifically designed for heavy vehicles?

**Mr STAPLES:** Gateway has two key components to it. One is the rail upgrade that the Australian Rail Track Corporation is actually proceeding with the planning and delivery on, so I do not have the specifics about the timing of that. But in terms of the road project that we have just gone to a market process on and there is more detail to come out as part of the planning, so I think we can be clear around what those ramps will be. But of course heavy vehicles are going to be able to use the ramps. In terms of providing—

**The Hon. JOHN GRAHAM:** Yes they will be able to use it, but will they be specifically designed for heavy vehicle use or not? Some roads will be some roads will not?

**Mr STAPLES:** Part of the WestConnex and linking into Gateway is to link to Port Botany so the route that involves the use—

**The Hon. JOHN GRAHAM:** Will it include heavy vehicle ramps in that design?

**Mr STAPLES:** I am not sure of the term heavy vehicle ramps. I am not familiar with that from an engineering point of view. Will heavy vehicles be able to traverse these ramps? Then—

**The Hon. JOHN GRAHAM:** I will come back with some supplementary detail than. Thank you for those answers.

**The Hon. DANIEL MOOKHEY:** In respect of the WestConnex project are there any claims against RMS of Transport for NSW under this security of payment legislation?

**Mr STAPLES:** I would have to take that on notice. That is a pretty specific question around contract management and I do not have that at hand.

**The Hon. DANIEL MOOKHEY:** I only ask because we identified it in last year's estimates that there was at least one, but that is okay, you will come back to us on notice. You maintain claims registers for the WestConnex project, don't you? For contract disputes?

**Mr STAPLES:** The motorways to that oversee the management of those contracts within the RMS organisation or that sit within our infrastructure and police division as we go through the transition would absolutely be monitoring the claims that come through on the various contracts. Bear in mind that there are different contractual arrangements in because, with the sale of Sydney Motorway Corporation [SMC].

**The Hon. DANIEL MOOKHEY:** The lead claims regime, yes.

**Mr STAPLES:** That there are certain contracts that are now in place with Sydney Motorway Corporation. The main one that we are delivering directly is the WestConnex stage 3B or the Rozelle interchange, as you refer to it.

**The Hon. DANIEL MOOKHEY:** Let us start with that. On the WestConnex stage 3B the claims register that RMS or Transport for New South Wales currently maintains, what is the total value of claims that are currently outstanding all not resolved on that register?

**Mr STAPLES:** I would not want to be quoting a figure like that in a public forum and speculating about claims and amounts. I think that that could potentially prejudice the State in terms of negotiations or future legal processes, so I would have concern about providing that information.

**The Hon. DANIEL MOOKHEY:** I accept that. Are you currently engaged in what is called an executive level negotiation around contract disputes? As in RMS and/or Transport for NSW? Has any of them escalated to the point in the resolution procedure?

**Mr STAPLES:** There certainly has been executive negotiations around some claims on WestConnex. I can confirm that, yes.

**The Hon. DANIEL MOOKHEY:** Do any of them relate to the St Peter's interchange?

**Mr STAPLES:** I would not know the detail of that. I could ask Mr Hardwick whether he knows anything on that, otherwise we can take it on notice.

**Mr HARDWICK:** We will take that on notice.

**The Hon. DANIEL MOOKHEY:** Do we have equivalent figures? We went through 3B. Under a linked claim regime it is possible for Transurban to refer them to Transport for NSW now. And that to be fair came from Mr Kanofski's rather detailed explanation at last year's estimates. How many in the past 12 months have been referred to transport for New South Wales through that procedure?

**Mr STAPLES:** Can you just ask that again? I did not quite follow the logic of what you asked.

**The Hon. DANIEL MOOKHEY:** Sure. There is a linked claims regime, is there not? Or what is colloquially termed as a linked claims regime that currently applies to the WestConnex project, that is correct?

**Mr STAPLES:** Yes, there is.

**The Hon. DANIEL MOOKHEY:** And under that procedure it is possible for Sydney Motorway Corporation to refer such contract disputes that it receives to Transport for NSW or RMS for resolution, that is correct?

**Mr STAPLES:** Yes, although it depends on the nature of the claim as to whether or not that linkage actually applies.

**The Hon. DANIEL MOOKHEY:** Of course, you would have to assess that. How many has SMC referred to RMS, because I think it is the concessionaire under the contract in the past 12 months?

**Mr STAPLES:** I feel like we are going back over some ground previously on claims. We may get claims notifications from Sydney Motorway Corporation on things. That does not mean that it is a valid claim, but it will always seek to—

**The Hon. DANIEL MOOKHEY:** I accept that is a position of the Government and to be fair it has been a consistent position of the agencies for a while now, I am not quibbling with that, I am just really asking as a matter of fact, how many have been received the past 12 months?

**Mr STAPLES:** I will have to take that on notice and see what I can provide in relation to that.

**The Hon. DANIEL MOOKHEY:** On average, how long are they taking to resolve?

**Mr STAPLES:** There is a danger of oversimplifying the process here. In the contracts—and this is standard contracts, not Sydney and New South Wales—it is actually, certainly in the Australian context, pretty common that there are obligations on the contractor to notify a client about the potential for a claim. That does not mean that there is definitely a claim to be delivered but—

**The Hon. DANIEL MOOKHEY:** I accept that, and that has been the case with every project—claims are made and claims are disputed and claims are resolved. I am not quibbling with that. I am just seeking, as a matter of fact, how many for the WestConnex project have been received in the last 12 months? That is all.

**Mr STAPLES:** I thought I took that question on notice.

**The CHAIR:** I want a little bit about accessibility of our transport network, and I touched on this this morning. I understand that the deadlines—at least the 2022 deadline—will not be met. Has analysis been done that shows all of the services that are currently not fully accessible?

**Mr STAPLES:** We are in the process of conducting an audit, which was a recommendation of the Auditor-General, in relation to compliance with disability standards. That is underway and will take some time to complete because it is quite a complex task.

**The CHAIR:** Does that cover buses, ferries, trains and trams?

**Mr STAPLES:** My understanding is that is the intention for that audit to cover all of those, yes.

**The CHAIR:** Do you have any idea as to when that might be done?

**Mr STAPLES:** I will have to take on notice our specific target on that but it is some time into next year, at the very least, before we will have that done.

**The CHAIR:** That would be useful if you could take that on notice just to come back on the target date for that, and also just to check that that covers not just the vehicles themselves, but also the access to stations.

**Mr STAPLES:** I have a little bit more information. The intention is for it to be an audit of all parts of the system. It is going to build on some things that we have done recently in the third stage of our Transport Access Program, which is rolling out, where we have learnt quick a bit around doing more detailed analysis of individual locations and making sure we have put as much of the disability features in. I would emphasise that this is not just about putting lifts in but about providing a broader range of features in our systems for a range of disabilities to be able to navigate.

**The CHAIR:** Absolutely. Has an audit been done previously at any point, do you know?

**Mr STAPLES:** We have certainly done an audit around the Transport Access Program stage three activities. But in terms of our whole of network one, no. I think that was one of the findings of the Auditor-General, that they recommended that we go ahead and do that. That is a piece of work that we are getting underway.

**The CHAIR:** These guidelines date from 2004. When they were introduced are you saying that nobody in the department since 2004 has suggested doing an audit or compiling any sort of figures on accessibility to see what kind of task was ahead of the Government?

**Mr STAPLES:** I can only speculate—2004 was a long time ago. The scale of the task at that time was enormous. We have made substantial inroads, particularly in the last four or five years, around improvements to the system, where we are starting to get to look at more where are the gaps. In 2004 we were starting with I would not say a blank canvas but we were starting with a task that was so large it was more a matter of getting on and starting to make some progress. Critically, the statistic that often gets lost is that on our transport network about 90 per cent of our customers have now got end-to-end access to lifts and so forth, and key features around being able to move around the system. This is a significant improvement on where we were a few years ago. We have taken a priority—

**The CHAIR:** I am not taking away from that improvement. I am also not denying that it is a massive task. It is just astounding to me that in 2004 we had accessibility guidelines that were agreed by all States in Australia, and I know that New South Wales is not the only State to not do this—

**The Hon. CATHERINE CUSACK:** We had a Labor Government in 2004. That was the difference.

**The CHAIR:** But we have also had a Liberal-Nationals Government for some time as well. So we have had both. This is not a question about who was in the transport Minister position at the time; it is a question as to what the department has done since 2004 to plan for this. I am pleased to hear that you do have an audit now.

**Mr STAPLES:** The other thing I would draw your attention to—I think the Minister did mention it this morning—is the new issue out of Future Transport 2056 was to put together a disability action plan, which we released off the back of the 2056 strategy being put out. That takes much more of an outcome-based approach. If you look through that document in some detail you will see we have tried to look at it in a much more holistic way. It may not provide the audit depth that you are talking about, but from a strategic intent and outcomes it is looking across the network and it is looking across the range of different disabilities, saying, "Where should we prioritise our effort to get the right outcomes as quickly as we can?"

It is different to a compliance approach because sometimes the experience would say, following the letter of the law versus focusing on the outcome, sometimes they do not absolutely align. If I sought to seek out compliance to the law, it could actually come at the cost of a large number of customers actually getting the benefit from a prioritisation point of view.

**The CHAIR:** Sure, and we have seen that sometimes. We see bus services where there were none before but they are not accessible bus services. There is that decision to make as to whether you make it accessible or whether you do not have the service at all.

**Mr STAPLES:** Yes, that is right.

**The CHAIR:** I understand that. We have talked about the enormity of the task, and I know it is an enormous task.

**Mr STAPLES:** I do not want to create an impression that we have not done anything. I think even in the last seven or eight years there have been 470 or so projects with a very specific focus around improving disability access on the network. You can take exception to the lack of a fully comprehensive audit, but the scale of investment going on in recent years has been very substantial. We have looked at metro a lot. The point being that, when we have had the opportunity to make a fresh start, we have gone really hard at delivering the best possible outcome.

**The CHAIR:** I am not denying that. I am asking when the standards were agreed—and New South Wales agreed to meet the 2022 deadline—was it the cost that was the barrier? Was it the lack of prioritisation in subsequent budgets for this accessibility work or was it a technology absence? What do you put that down to?

**Mr STAPLES:** I am not trying to avoid it. I am just finding it really difficult to answer a question about where thinking was at in 2004. I can really talk for the last couple of years, particularly as secretary, and for the last seven or eight years in terms of the cluster. I think you can see through Future Transport 2056, the disability action plan, our acceptance of the auditor's recommendations and so forth in the Transport Access Program that we are intent on continuing the journey, which is a long journey. The Minister, quite rightly, said this morning that the end date is hard to target given the scale of the task which still remains. That is not to understate the amount of progress we have been able to make.

**The CHAIR:** And the more recent work is encouraging and is in the right direction. It is just disappointing for the community of people with disability that it has not been done earlier.

**Mr STAPLES:** All of us in this leadership team get the opportunity to interact with disability groups. We have got a fantastic committee that we meet with regularly that commit their time to give us feedback on design concepts, the directions we are taking and so forth. We really appreciate that involvement and respect the input that they are providing along the way, and we will continue to work very closely with them.

**The CHAIR:** I am glad to hear it and I do appreciate the efforts that were made to make a fully accessible metro. When we are looking at some of these conversions—whether it is the plans for the conversion of T3 from heavy rail to metro, or at least part of it, or other major projects—sometimes we get these rail replacement buses. Are the rail replacement buses accessible or guaranteed to be accessible?

**Mr STAPLES:** There are a couple of different categories of rail replacement, so I might hand to Mr Collins in a moment just to talk a little bit more about the general rail replacement. The one that I can speak most closely to is, when we had the major piece of work on the Epping to Chatswood rail line, and we closed that for a period of time to go in and put in those great features such as platform screen doors, which provide the safety, and do some of the signalling and systems technology upgrades, we had a period of months where that was closed. We designed a very specific service called Station Link.

There was a lot of community engagement in advance of that and stakeholder engagement because Macquarie University and Macquarie Park is a really busy hub. There is a large amount of employment and an increasing amount of people living in that area. We developed a service concept that provided full accessibility between Epping and Chatswood with some supplementary stations around that because it was already fully accessible. Mr Collins may have some comment just around the more general rail replacement that we have in terms of weekends, possessions, where we are doing general critical upgrade works.

**The CHAIR:** And also the plan for T3, because I understand that would result in a closure for a period of months as well.

**Mr STAPLES:** One of the great things out of doing the piece of work on the Epping to Chatswood line is the team that went in; it was largely under Coordinator General Marg Prendergast who led that. They are now the same team looking at the rail replacement for the T3 as we do the metro upgrade works. So all of those lessons, including the approach to accessibility and those sorts of things, are being applied into that. I guess the other key thing to indicate, which no doubt Mr Lamonte could talk a lot about, is when we are finished on the T3, what a difference it is going to make in terms of accessibility. At least on Epping to Chatswood it was largely accessible already, but T3 is—

**The CHAIR:** Could we focus on those replacement services?

**Mr COLLINS:** We have been working very hard with the replacement bus operators to ensure we end up with a more modern fleet. Traditionally, as people know, they have tended to be private operators who have a more traditional bus fleet, but we have been working hard to ensure that we get better outcomes for our customers particularly. We also have been making sure that we give more advance notice of when we are carrying out engineering works. The other thing we have been doing is reducing, where possible, the amount of engineering work, which used to take place just as routine maintenance. For example, we used to once a week—once a year shut the Cronulla branch down. We do less of that.

The other thing I would say: We are looking and working with the Metro on seeing if we can provide step-free access lift installation ahead of the Metro. There are opportunities to do that work on the Bankstown branch. I know, as I have used it on a regular basis, that many stations—for example, like Punchbowl—people are carrying prams up and down every day because it is quite a popular area and there are a lot of young families

there. So we are working to understand that. Just coming back, we have accelerated this program of lifts, which I have never seen before in considering there are 52 locations—

**The CHAIR:** Apologies for interrupting you, but I bring you back to the replacement bus service point. Is there a guarantee that during any—

**Mr COLLINS:** There is not at the moment. We are working through that. I do not know whether Ms Mildwater would like to give you a bit more information.

**Mr STAPLES:** But you are referring to rail replacement generally.

**Mr COLLINS:** Yes, generally rail replacement services.

**The CHAIR:** I appreciate that, I wish I had more time. When you have these major projects and lines are shut down for a period of time I am interested in whether the replacement bus services for commuters in particular will be accessible.

**Mr STAPLES:** The major one coming up is the T3 that you refer to. I might just get Ms Mildwater to refer to one matter around buses generally and then I will ask Mr Lamonte whether he has got any particular detail on that one. Otherwise we can take it on notice.

**Ms MILDWATER:** The issue with the rail replacement buses at the moment is actually sourcing enough, sometimes, of accessible buses to use for the replacements. Part of the solution lies in getting our full fleet to be accessible, and then it would not matter where buses were pulled from. By December 2022 all buses providing regular passenger services in Sydney, outer metropolitan, and rural and regional areas other than the dedicated school buses will be wheelchair accessible. That means, then, if any of those buses are pulled into service for replacement services, they will be wheelchair accessible as we have been gradually updating our fleet to cover that.

As at a month or so ago—about 10 July this year—about 91.9 per cent of the State Transit Authority [STA] buses are wheelchair accessible and about 88.5 per cent of private bus operators in the Sydney metropolitan area are wheelchair accessible. As we increase those numbers, that will improve when those buses are called on into service. We are also in the process of putting together a new bus procurement panel—that is, the buses that we specify need to be drawn on by any bus operator—and they will be accessible. So all future buses bought will be accessible.

**Mr STAPLES:** I would just refer to Mr Lamonte to give what he has got in terms of the rail replacement for the T3 and Bankstown, and the works that are going to happen over the coming years.

**Mr LAMONTE:** It is probably well worth prefacing this by saying with the major work on the Sydenham to Bankstown line—which was due in 2023-24, to enable the line to open by the end of 2024—we have reflected a lot on the community feedback. Originally there was a planned six-month closure. There were closures planned in July school holidays and weekends. So the first thing to say is that we have reflected a lot on that to reduce the amount of closure. The second thing to say is that we are building, exactly as the secretary has mentioned, on the success of what was done in the link from Epping to Chatswood, where we learnt a lot of lessons.

We have got a lot of time to plan for this and to get it right so that we can deal with many of those accessibility issues. The other thing is when we have got work—and there is a two-week closure coming up at Christmas with Bankstown where work is going on at Sydenham, which is the first part of the major works of diverting Sydenham—we need to make sure that we give customers the maximum knowledge of what is going to happen, how it is going to work, and make sure we have all the preparations in place. And that we will do.

**The CHAIR:** Will those replacement buses for that period be accessible? Do you know at this point?

**Mr LAMONTE:** I will have to take that on notice.

**The CHAIR:** That would be fantastic. Mr Collins, I note your enthusiasm for various modes of transport; it is quite infectious. I am curious as to your views on the limits of the metro. When we look at a network such as London, you get something like the Circle line, where there is very little seating, there are very few seats. But for the lines that go for a far greater distance—the Metropolitan line, lines like that—you have much more seating and less standing space. My understanding of the design of the metro, or at least the plans for the metro, in Sydney is that all of the trams or trains—whatever we call the metro units—do not have that much seating but are all standing. Is that something that will continue to be a feature? Do we envisage that the metro will eventually go over much longer commute periods?

**Mr COLLINS:** I will refer this to Mr Lamonte in a minute but just to give you a little bit of general background. It is actually the number of seats per hour that we really should reflect on, rather than how many seats in individual trains. Obviously the one advantage of the metro is that being able to run a higher-frequency service does mean that there are a higher-frequency number of seats available for the customers who need them. But specifically I would refer to Mr Lamonte regarding the seating layout of the metro because I think he is the most appropriate person to answer that question.

**Mr LAMONTE:** I think the first thing to say is on the metro train for the north-west, which is an Alstom product, it is a standard product used by many metros around the world. There were some bespoke features for Sydney. A couple of those were to allow extra space for wheelchairs, prams and those kind of things, and also some specifics around labelling for Sydney and those kinds of things. So there were some bespoke things in there done already. The size and shape of that—one of the reasons we had it the way it was because of the Epping to Chatswood line, which was a conversion we fitted in there. When we look towards future metros, then we will have the opportunity to look at what other types of trains might we look at. Are there other alternatives?

We can certainly look at all kinds of variations of fittings throughout there. To go back to Mr Collins' point, it is really about what is appropriate for high frequency mass transit services. So when we are talking about turn-up-and-go services, the sort we have got with four-minute headways in the peak, then it has got an appropriate level of seats to match that kind of service.

**The CHAIR:** And do you have some sort of guidance internally as to length of journey versus how many? Obviously somebody standing for a 20 minute journey is very different to having to stand for 50 minutes every morning. Are there some sort of guidelines around that as to when you would put more seats in?

**Mr LAMONTE:** There is no hard and fast rule to this, and the secretary might want to comment on it. I do not think there is a fixed rule on it, but it is always one of those things that there is an awful lot of engagement with the community and with stakeholders as to what the most appropriate method should be.

**Mr STAPLES:** I think the point to make and it may be two comparisons—I am not quite as good a story teller as Mr Collins, but I will give it a go—if you want to get on the train at Macarthur or Campbelltown in the morning, you have typically got one destination in mind; that is, to get to the city. In that customer experience as the train goes along, people get on, they get on and as they pass through the East Hills line they are getting on pretty much all of way at least until the airport, but most of the way in. So the double-deck train is a fantastic product because it is maximising the seating on the train.

Go out to The Hills—Rouse Hill; Norwest Business Park, a significant employment district; Castle Hill, a significant retail; Epping, a significant interchange with inner city services and Sydney Trains services; into Macquarie; down to Chatswood, another significant interchange; and into the city, another significant interchange; the customer experience will be people getting on and off all the time. So the average length of journey is not that classic long distance commute where everyone is ending up in the one spot, rather a lot of people are getting on and off the system as you go. So the seating arrangement is more doors on the train because people are getting on and off the system more.

So the selection around metro for that type of service is really thinking outside of the rail service itself and saying: What is the land use? What is the customer behaviour that we are going to expect to have in this area? We are fortunate through the land use strategies to have that mix in the north-west of Sydney. We see that opportunity with western metro as it goes to Westmead, Parramatta, Olympic Park—a major employment and residential place in the future as well as an entertainment zone—interchange, with the main north line coming to the inner west and then interchanging across the city line. So you are going to have a lot more of that on-and-off type of an operation as well. So you have really got to step back and not just look at the train; look at the role it is providing in moving people around the city and how much they will get on and off the system.

**The Hon. SHAYNE MALLARD:** I am a cyclist. I do not ride on the footpath and I certainly would not ride to the ICAC. I was very pleased yesterday to see the Minister—he referred to it this morning, although it feels like yesterday—and the lord mayor announcing some funding for four key links in the city. In the CBD cycle network—I was a councillor for 12 years so I know it all very well—\$7.5 million for separated cycle lanes. How much is in the budget for active transport and have you got that broken down into cycling infrastructure and—

**Mr STAPLES:** I might hand to one of our budding cyclists at this table, Ms Mildwater, to give you an overview as well.

**Ms MILDWATER:** I guess at the highest level we would say there is approximately a bit over \$600 million going to be spent on cycling and walking projects over the next five years. This roughly breaks into

smaller grant funded programs through the Active Transport (Walking and Cycling) program and the Cycling Infrastructure Fund. Then roughly another half, \$300 million as part of larger projects. I might in a second throw to Mr Hardwick, who can talk about how RMS build active transport alongside their major projects. Some of the major projects including active transport are the Mulgoa Road upgrade and Sydney Gateway project. Both will include new separated paths for pedestrians and cyclists.

The first stage of the F6 extension incorporates a new shared cycle and pedestrian pathway as well. All 31 new and upgraded stations being delivered across north-west and south-west Sydney as part of Sydney metro also include dedicated spaces for bike storage, and the Parramatta light rail stage 1 also includes an active transport corridor. We do have bike storage around many of our railway stations, either the lockers or the Opal card-activated cages. We have been exploring a few different methods there to see which cyclists prefer, and we will continue to do that. So we are working on a lot of already committed expenditure over the next five years, but I think the other thing to say is that we are working on a strategic business case for generally the future of active transport.

The Future Transport Strategy outlined a future for active transport, both cycling and pedestrian work, superseding the previous Sydney's Cycling Future. We are in the process of working on the first of the strategic business cases for the cycling infrastructure and we would hope that further investment comes from that. After that we will look at a walking strategic business case as well. So there is a fair bit of work coming. As that press release indicated, we are working quite closely with local government on a lot of this. That is one of the benefits of our new structure as well, having particularly the Greater Sydney area where we are really focused on the urban situation, particularly in the eastern harbour city. I guess what we are trying to do is to relieve congestion, get people out of private cars and onto their feet or onto bikes.

That is a really significant focus for us over the coming years and we recognise that local government is really key in that. We have been working really closely with the City of Sydney, and we will continue to do that, but we are also building stronger relationships with other local governments in this process. As I think we have realised, not only to relieve congestion but also to increase patronage on our big trunk routes, we have to solve that first and last mile component, which often does involve walking or cycling. We have sort of turned our focus from not just the big trunk routes, the traditional part of the transport network that we looked at, but we are focusing on those more localised first and last routes. I do not know if Mr Collins might want to talk more about what is being done along railways or anything?

**Mr COLLINS:** Yes. We have certainly been involved in active transport in the Sutherland shire and looking at some of the rail corridor shared possibilities. The first part of that route is being constructed by local council. And making sure that we work, it is difficult. Certainly my experience in cycling is that this Government is doing a lot more than ever before. And where we have corridors which could allow, for example, cycle parking—you may have seen a lot of the secure areas that we have got now are Opal-accessible parking at stations for cyclists—we have certainly seen an uptake of cyclists getting into stations. This is part of our last mile journey practice, where we put in a significant amount of parking for cyclists so that instead of driving up to the local station, annoying the local residents, they can make cycle there. But maybe my colleague in RMS, or should I say Roads, could talk about what work he is doing as well.

**Mr HARDWICK:** The key component here when we build infrastructure is to make sure we have active transport in mind with all of that construction work, just like we do with public transport. So when we do roads we are looking at all modes of transport for people, which I think is critically important. I think that goes with the reorganisation of evolving transport. But western Sydney is an area where we are trying to build it in as we go, and it is really important. If you look at the 35 kilometres of The Northern Road, we are building active transport into that. We are going to build a lot of the key links in western Sydney as we build the infrastructure, which is a really important part for the future. We are also building it into Memorial Avenue, Prospect Highway and the M12 will all have it. Obviously the additional infrastructure will be there to connect to future pathways. It is about getting a mix of both cyclists and pedestrian-type activities to give people walking and cycling access. Additional paths also in Werrington Arterial Road, Narellan Road and Schofields Road. I think it is just key to show that when we build roads it is all about active transport as well.

**The Hon. SHAYNE MALLARD:** That would be like Mulgoa and Dunheved Road at Werrington. They would be separated cycleways or shared paths off the road?

**Mr HARDWICK:** It depends on the location, some are separated cycleways and some are actually shared pathways but wide enough to deal with both pedestrians and cyclists.

**The Hon. SHAYNE MALLARD:** Obviously you engage with cycling groups. Do they identify to you locations where there is a problem, particularly for road cyclists as opposed to separated cycleways? I am thinking of the Faulconbridge highway where there has been quite a campaign. There is no safety margin. If you are squeezed off the road you are pushed into a fence. There has been quite a campaign to look at that.

**Mr HARDWICK:** We work very closely with Cycling New South Wales and a lot of other cycling bodies as well that come to us and want to get involved in the design of things. We try first where possible to segregate cyclists from especially heavy vehicles and others. For safety, the first thing is about segregation. If that is not possible you look at getting the active transport paths as safe as you can around the current road networks.

**The Hon. SHAYNE MALLARD:** Mr Staples, Josh Wright, formerly of your office, are you aware of his employment status?

**Mr STAPLES:** Mr Wright did formerly work with Transport for NSW but he is not working with us any more.

**The Hon. SHAYNE MALLARD:** Are you aware of his current employment status?

**Mr STAPLES:** I believe he is working for the Opposition in some form but I have not formally been told that.

**The Hon. WES FANG:** I want to go back to my previous line of questioning, Ms Mildwater. You were able to detail some of the fantastic results we had with the customer service surveys that were being conducted. What do you attribute those results to?

**Ms MILDWATER:** For each of the modes where we got an uplift what we do is look at the underlying drivers, and some of the ones I read out before are common. Safety and security came up for buses and ferries. Accessibility was also one that was given. In some cases the ticketing, and that goes back to what we were talking about with Opal. Cleanliness and accessibility is something that often rates highly. I think it possibly is worth looking at each of the modes separately and perhaps each of trains and STA had the largest increases. I know trains had a 3 per cent increase. Mr Collins might like to talk about some of the specifics there.

**Mr COLLINS:** I always like to do that. Certainly in my 146,721 kilometres that I have done so far on the rail network one or two customers have given me feedback and the first thing they say is what a remarkable job your team do on cleaning. When you look at the cleaning score—and people tell me this network was pretty grubby a few years ago—it has gone up 18 points since we started in 2012-13. I am pretty proud of my team because a lot of the staff do a lot of work including keeping the stations looking immaculate. The other area where we have seen enormous growth is in ticketing. I am pretty proud also that I worked in London on what was the underground ticketing scheme. UTS has a different meaning here. Certainly that was a forerunner, the same product as we brought on board here.

That has gone up a remarkable 13 per cent since 12 November. I appreciate when services are not as good and we have had tough times on the railway for all sorts of reasons. The score improved for the timeliness and the reliability, customers tell us this through this survey. This is a survey of over 2,000 people, more than that sometimes, and done twice a year. It is a good reflection of how customers feel about our services. It is good for both Sydney Trains and NSW TrainLink that we have seen a good positive return. Certainly 90 per cent for my colleagues in TrainLink, for which I was the acting chief executive for over 2½ years, is a great thing to celebrate. We are not complacent.

I know Mr Lamonte has the heady heights of a score of 95, which we are all very jealous of. Having a new toy, it is always nice to see. It is shiny and new and people love it, and I love metro too, but we have aspirations to ensure we move this score further. It is not for me to spruik out good information. But also for our customers, when I first came here this was about trying to get the trains more reliable and trying to make sure the trains were clean and tidy. It was not rocket science. I am just a humble railway person and that is what we have done over the last few years.

**The Hon. WES FANG:** I think you have succeeded very well. Thank you for that. Can you provide more detail about how the Government and Transport for NSW are working to improve the experience of rail passengers?

**Mr COLLINS:** There is a significant program on the existing network. Mr Staples would like to share other improvements but the one I want to bring to the Committee's attention is More Trains, More Services. It is a \$4.3 billion investment where we are looking to invest not only in rolling stock, and people might have seen the benefits of our new B sets—the orange-fronted trains you see around the network, all 24 of them. Another 17 are

arriving starting next July. We have finally put to bed and crushed all except the last 10 cars that were saved for posterity. If you want to have a historic journey on a transport heritage train you can experience a sauna or a freezer if you want to do that. I assure you that the customers of particularly Macarthur made it quite clear to me they did not appreciate being cooked in the summer and frozen in the winter.

They now have a much more comfortable journey on a train service which is twenty-first century rather than nineteenth. That program is also about digital signalling systems, it is about improvement of locations that align where we are looking for improvements to speed of the tracks, improvements of a number of areas to allow us to operate this railway as it should be, which is to be proud of a suburban and Greater Sydney network. There are significant amounts of other activities because it is about not only the train services but also working with our colleagues in NSW TrainLink and the new intercity fleet. The improvements we have done to a number of stations in terms of providing better facilities includes toilets, upgrading the infrastructure, lifts and we see this continuing. I think people are proud of what we achieved but there is a lot more to do. I do not know whether Mr Staples wishes to share any further information of a more general nature.

**Mr STAPLES:** Mr Collins has talked about rail and metro. For me, in the time I have been secretary, one of the standouts would be the introduction of the B-Line. I will get Mr Faurby to talk about the customer feedback on that. I think that is an eye to the future of the opportunities we have for the bus network.

**Mr FAURBY:** Thank you, Mr Secretary. The B-Line has been a great success for our customers. The latest customer satisfaction result is 98 per cent.

**The Hon. WES FANG:** That is phenomenal.

**Mr FAURBY:** I do not think we have seen that too many other places in the bus sector.

**The Hon. WES FANG:** I think it would be one of the industry highs.

**Mr FAURBY:** I believe so. What our customers like about the B-Line is first of all the ultra high frequency turn up and go nature of it, high reliability. We have had more than 11 million people travelling on those B-Line buses since they started in November 2017 and the patronage keeps going up. We have in the most recent year seen a 13 per cent increase. Interestingly when you look at the B-Line buses—and there is only 38 of them—in terms of capacity they only make up 10 per cent of buses on the northern beaches but they actually carry 23 per cent of our customers. In other words, customers vote with their feet. I would say that what we have done with that service is we have replicated a fair few things from that into what we have done at the Bondi link service. I had an opportunity to talk about that before, that is the service from Bondi Beach into the city.

**The Hon. WES FANG:** That is amazing. What we have done about that service is we have replicated a fair few things from that into what we have done at the Bondi Link service. I had an opportunity to talk a little bit about that before; that is the service from Bondi Beach into the city.

**The Hon. WES FANG:** The 333, is that right?

**Mr FAURBY:** Yes. That is essentially the same concept; it is a branded service, it is a service that really appeals to people, whether you are a backpacker, a business traveller or, for that matter, any other kind of person. They love the fact that it is a branded system, it is legible, it is easy, it is simple, it is ultra-high frequency and it is very reliable. We see it in the customer satisfaction results.

**The Hon. WES FANG:** Just on the B-Line, we have talked about the Northern Beaches, and the feedback from customers has been good. Across the rest of the network, are you seeing that replicated?

**Mr FAURBY:** We do. In terms of customer satisfaction for STA overall it is 92 per cent, which is the highest that it has ever been, as far as I am aware. Also, pleasingly, I believe the fourth consecutive survey where we have gone up. You see, it is to the same point as Mr Collins is making, that we do not really allow ourselves to rest on the laurels. We keep looking for the things that our customers want. We know what it is; it is largely the same thing as what Mr Collins said for trains, and you will hear the same from metro: clean, safe and reliable services. When we do have issues customers would like us to tell them what is going on and how quickly we can recover from those interruptions. That is exactly the focus that we have had. We have lifted on-time running from around 92.4 per cent to now 95 per cent overall for the whole year.

We have looked at reliability; in other words, reduced significantly the number of services that are getting cancelled for whatever reason. Customer complaints have dropped for the same reason. Customer compliments are going up. I just think, overall, it is not really that much more complicated than that. You just focus on the things that customers want, and that is clean, safe, reliable services and if you disrupt or otherwise get disturbed, would you please tell us? That is exactly what we do.

**The Hon. WES FANG:** That sounds like you have everything trending the right way and the results speak for themselves, so that is fantastic. With ferries, are we able to outline some of the benefits to customers that will be delivered under the new ferries contract?

**Mr STAPLES:** I am happy to hand to Ms Mildwater, who oversees the ferry contract.

**Ms MILDWATER:** I guess, setting the context, last year we had about 15 million trips on what was then Harbour City Ferries, about another 3 million on Manly Fast Ferries, so it is about 18 million trips every day are done on the harbour, which makes it a very significant part of our transport system, but also the busiest ferry transport system in Australia. It is a really significant piece of our transport. The contract which commenced—

**The Hon. JOHN GRAHAM:** Point of order: We are interested in the answer, but I might just ask that it be taken on notice, given the short time left in the hearing.

**The Hon. WES FANG:** I am happy to use my time later to get that further update.

**The Hon. PETER PRIMROSE:** Mr Staples, am I correct in saying that of the total cluster expenditure, about 60 per cent is capital expenditure?

**Mr STAPLES:** Maybe if I just go to the numbers for this year, to be clear—I just have not got that to hand, I will not be a second. Just as an illustration, looking at this financial year we have a total budget of \$29.5 billion for the 2019-20 year. So 14.4 per cent of that we would categorise as what we call recurrent, and then 15.1 per cent is what we would categorise as capital.

**The Hon. PETER PRIMROSE:** Maybe just a bit under 60—

**Mr STAPLES:** Sorry, billion. I slipped off.

**The Hon. PETER PRIMROSE:** Can I ask you how the cluster is going to achieve the Treasurer's required efficiency dividend of 3 per cent?

**Mr STAPLES:** I think what is important to understand with the concept of the efficiency dividend is that that amount of increase—particularly, say, if we think about recurrence, often the efficiency dividend is applied to the recurrent component, not to the capital component. I just want to get a figure out to make the point that efficiency dividends are as much about how we spend our money as they are about the total aggregate amount. It must be getting away in the evening because I am just struggling to find the budget. The point I want to make is that, notwithstanding what you will hear about efficiency dividends, we have still had a substantial increase of nearly \$1 billion on our recurrent budget this year, relative to last year. This year it is \$14.4 billion. I think last year, just recollecting, it was about \$13.5 billion. We are increasing our budget that we have received. At Transport, I would always like to get more money because I would always like to do more. But the efficiency dividends, if you look at the budget papers, are focused around trying to achieve things such as procurement, savings and other interest in savings.

**The Hon. PETER PRIMROSE:** Maybe if I ask you, then, in GIPA documents that I have received it said Transport for NSW indicated that to achieve the efficiency dividend we will require, "major reform to meet future targets". Can you please tell us what those major reforms will actually look like, other than gaining additional funding from the Government?

**Mr STAPLES:** I think the first thing to do is maybe just reflect on the track record of the last—

**The Hon. PETER PRIMROSE:** No, what I would like you to do is tell me what those reforms will look like going forward.

**Mr STAPLES:** Year on year we have had, for a number of years, increases in our recurrent budget allocation. At the same time we have had efficiency dividends applied, and at the same time we have continued to increase services and, as you have heard recently around customer satisfaction—

**The Hon. PETER PRIMROSE:** Tell me what they all mean going forward.

**The Hon. WES FANG:** Point of order: The secretary is trying to give a very detailed answer for what is a very complex—

**The Hon. PETER PRIMROSE:** To the point of order: I have asked a specific question. In the short time available I would like Mr Staples to tell me, going forward, what those major reforms will look like.

**The Hon. WES FANG:** I appreciate that you are allowed to ask the question, but you do not get to dictate the answer.

**The CHAIR:** Let's proceed. If we could try to be directly relevant to the question, if you could let the witness answer.

**Mr STAPLES:** You referenced a document. It would just be good to understand specifically what you are talking about. That will help me to focus.

**The Hon. PETER PRIMROSE:** To meet future targets, what will the major reforms look like to achieve your efficiency dividends?

**Mr STAPLES:** You referred to a document, but I just want to understand, just so that I make sure I get the context and my answer correct, is it possible to table the page that you are referring to?

**The Hon. PETER PRIMROSE:** No, it is not. It is a Transport for NSW document, one of the many documents we received through the GIPA process. Are you not able to tell me what the major reforms are that the department is proposing?

**Mr STAPLES:** I am just trying to make sure that I understand the particular document.

**The Hon. PETER PRIMROSE:** Let me rephrase it: Other than receiving increased recurrent funding from the Government, going forward, how will you achieve the Treasurer's required efficiency dividend of 3 per cent this year, next year and the following year over the forward estimates?

**Mr STAPLES:** We will continue to focus on how we can be smarter with the taxpayers' money overall.

**The Hon. JOHN GRAHAM:** That is quite general, though.

**Mr STAPLES:** The procurement savings is a really good example of where, by bringing the broader organisation together and the cluster together, we are focusing really hard on how we will generate savings in the back office and through our supply chain. We see significant opportunity, and this is just to give you an illustration—

**The Hon. PETER PRIMROSE:** Mr Staples, it sounds as though your answer is, "It is the vibe." Can you just give me the specifics?

**The Hon. WES FANG:** Point of order: Again, the secretary is giving a very detailed and very considered response to the member's question. It is not for the member to pass commentary about what he believes the secretary is saying. Allow the secretary to answer the question, please.

**The CHAIR:** If you could continue and be more specific with your questions.

**The Hon. PETER PRIMROSE:** My specific question is that, over the forward estimates, can you please be specific, other than simply giving us the vibe? What specific programs did you have in mind to achieve those efficiency dividends?

**Mr STAPLES:** Certainly a focus around the supply chain and the procurement activities to see whether or not we can get better return, better value for money in the purchase of goods and supplies. We had a recent example where with software we looked at engagement with the major suppliers. We have a workforce of 25,000-plus people, a lot of who use technology. For example, we license software and by consolidating different agencies and taking a joined-up approach we were able to achieve a substantial reduction in the cost of the supply of that software on an ongoing basis. It is that type of initiative that we are really focused on—things that are not going to have a direct impact on customers.

We want to get as much of the funds that we receive from Government focused towards frontline. Other areas more generally are in terms of back-office costs—sharing of services, our transport shared service—how we can provide better service across the cluster as a whole to be more efficient, rather than having separate groups across the organisation to make better use of the workforce and the people that we have to support. It is those types of reform programs that we are focused on.

**The Hon. PETER PRIMROSE:** Thank you. I will see you in October again about this one.

**The Hon. JOHN GRAHAM:** When you implement those reforms will you be able to meet the Premier's guarantee that there will be no regional job losses?

**Mr STAPLES:** We will absolutely work to the Government's policy.

**The Hon. JOHN GRAHAM:** I want to ask about some roads in the Illawarra. Noting that the Government did not allocate funding for the detailed design of the M1 Princes Highway Mount Ousley interchange in the budget, when will construction commence on the Mount Ousley interchange?

**Mr STAPLES:** I might ask Mr Hardwick whether he has any particular information about that.

**Mr HARDWICK:** Yes. In the 2018-19 year budget there was \$3 million allocated and that is to continue the planning.

**The Hon. JOHN GRAHAM:** The question is: When will construction commence?

**Mr HARDWICK:** We are in the planning phase at the moment. Until we get to business case and those types of things, we do not have a construction date at this time.

**The Hon. JOHN GRAHAM:** The second question is in relation to Memorial Drive extension to Bulli Pass. When will the planning and design work be completed for this project?

**Mr HARDWICK:** I am not certain of the actual date of that. I will have to take it on notice.

**The Hon. JOHN GRAHAM:** In relation to the Northern Beaches Hospital Road upgrade—the \$500 million upgrade—when will work be complete on that upgrade?

**Mr STAPLES:** I will pass that to Mr Hardwick.

**Mr HARDWICK:** With the Northern Beaches Hospital Road works, we broke that up into two phases: there was stage one—

**The Hon. JOHN GRAHAM:** When will the \$500 million project be completed?

**Mr HARDWICK:** Stage one was completed last year when the hospital was opened.

**The Hon. JOHN GRAHAM:** I understand.

**Mr HARDWICK:** Stage two will be mid-2020. That is where we are projecting at this time.

**The CHAIR:** I will ask a few additional questions in relation to preparations, particularly in relation to transport infrastructure to deal with the impacts of climate change. As we are beginning to see hotter temperatures overall and more frequent extreme weather events, has there been any preparation or analysis undertaken on modelling as to what the impact would be on the infrastructure of our transport network?

**Mr STAPLES:** As a general comment, I would say that through environmental impact statement analysis on major projects we look at the impacts of climate change. It is one of the things that is required through the planning process. We look at things like sea levels, flooding, storms, extreme events and so forth, and they are giving consideration about building resilience into our infrastructure.

**The CHAIR:** For existing infrastructure? I will give you some concrete examples. I understand that Central Coast Council modelling has shown that with certain sea level rise some of the rail lines near Gosford would become submerged with storm surges. Is that something that the department is looking ahead and planning for?

**Mr STAPLES:** We are still in the development phase around that, and I am happy to ask whether any of the other members have any comments to make particularly around that one because obviously it is an asset that Mr Collins' organisation looks after. Through the general asset management oversight of our assets, we look at risk to those assets through a whole range of different lenses. If there was a risk to an asset's performance such as water level or sea level change then that would absolutely be something that we would take action with in due course.

**The CHAIR:** This is a very basic question for you—I just do not know the answer. Are the infrastructure assets insured? Is there any external agency that is overseeing that process to make sure that we are capturing risks?

**Mr STAPLES:** The New South Wales Government has an insurer. The exact status and nature of the insurance, particularly in relation to what you are asking, I would have to take on notice to be certain. Mr Collins might be able to answer specifically about some of the comments you had around the Central Coast.

**Mr COLLINS:** I can properly answer a little bit about insurance as well. Certainly in the Brisbane Water area, Wondabyne area, we have done a number of exercises looking at the strengthening of those corridors, which, as you say, are very close to waterways. We have also spent excessive and extensive amounts of money on drainage, culvert work in Helensburgh, for example. The extremes of weather that we are starting to see—as everyone has said, a once-in-a-lifetime event happens once a year nowadays. So we have been doing a lot of that work—looking at protecting our assets against all sorts of weather extremes, whether it is dry spells or flooding or increases in water tables.

We monitor those. We have a lot of technical equipment—some were triggered this morning to do with potential landslides—water monitoring, rainfall monitoring. For example, the Wondabyne area was triggered and checked to ensure that everything was safe. In terms of general insurance, I can only speak about railway. We have our own insurance, which we secure through Lloyd's of London for significant values to ensure that we get best value for money on insuring. We have our own self-insurance for certain levels but then obviously we have greater insurance. I can provide on notice what insurances we have for the \$40 billion rail assets.

**The CHAIR:** That would be very useful. Is there a risk that certain rail lines in certain areas are at risk of buckling under extreme heat as we have seen with some other countries?

**Mr COLLINS:** I have seen that there has been extensive work on rail tensioning, and we are very fortunate in this State—it certainly worked many years ago with our concrete sleeper and continuous welded rail programs—that about 95 per cent of our network has modern pre-tension and rails which are absolutely durable to most extremes. We do have a process where, when rail temperatures get above a certain temperature—I cannot recall what it is but it is certainly pretty high, maybe towards 50 degrees—we put in a speed limit for some of those tracks affected.

I would say compared with other States and other places around the world—including my old country, in the UK—this State and the investment we have made over the years has given us a significant benefit. Again, we are not complacent—we have two excellent track-recording and monitoring machines, we use Lidar, we have drones. We have a lot of technology involved to ensure that our track geometry and the general impact of weather on the infrastructure are to the latest, modern standards.

**The CHAIR:** Presumably that also includes underground stations and making sure that they are more comfortable, particularly during peak periods.

**Mr COLLINS:** Honestly, people and customers may refer to places such as Town Hall—

**The CHAIR:** And Wynyard?

**Mr COLLINS:** Wynyard is a lot better since the Transport for NSW program included the addition of ventilation for that station. At Town Hall we have worked pretty hard with the local City of Sydney and our fire service to ensure that we have got that station in good order. It is unfortunately one of the things about constructing a railway from the 1920s, where a lot of people did not consider the overall increase in temperature within those tunnels and areas after a period of time.

**The CHAIR:** Are there any plans to put more shade on open platforms?

**Mr COLLINS:** We have done a lot. Actually, in More Trains, More Stations stage one, for the November 17 timetable we carried out a whole series of analysis looking at these stations where more interchange was required—Seven Hills, for example, and one or two other locations—where we have put in more canopies to protect customers. There is still more ongoing work. We are working with our Transport Access Program colleagues for providing step three accessibility. Those things are part of our improvement of the infrastructure, and people would expect to see more shading or shelter from the rain, with more canopies being installed at various locations.

**The CHAIR:** I have limited time. So, apologies, I am going to interrupt you. I wanted to ask, as well, about the on-street bush shelters, and whether there were plans to put more bush shelters in place to cope with more frequent hot days.

**Mr STAPLES:** I might pass to Ms Mildwater to give an overview of our approach to bus shelters.

**The CHAIR:** I do not have much time, so if you could be very quick that would be great.

**Ms MILDWATER:** Bus shelters—some of them are kept by us, some of them are kept by local government. They are in varied ownership, but over the next few years, as part of looking at buses more generally and upgrading services, we will also look at the infrastructure around that. We are also looking at who is best placed to maintain the ones that we are responsible for and, for example, combining with RMS to do some of the infrastructure work.

**The CHAIR:** Thank you. The final question I have, in the few seconds I have left is: Has there been an increase in the number of accidents on flooded roads, particularly motorways? I mean road accidents on high-speed motorways where people, regardless of what you tell them, tend to still go at 110 in the rain. Has there been an increase due to flooding on motorways?

**Mr STAPLES:** When you say "flooding", in our term that would mean water permanently over the road—

**The CHAIR:** Correct—the whole lane.

**Mr STAPLES:** —as in inundated.

**The CHAIR:** For example, a foot of rain water.

**The Hon. SHAYNE MALLARD:** Thirty centimetres.

**The CHAIR:** Thirty centimetres.

**Mr STAPLES:** On the motorway network. I might just ask Mr Hardwick if he has any comments on that.

**Mr HARDWICK:** I do not have the specifics, but I do not believe the number of incidents is increasing. I am happy to look at it on notice to see whether there is anything there, but I do not believe so.

**The CHAIR:** Thank you, that would be really good, particularly the M1, following the road works. There have been a lot of reports of accidents, with entire lanes being under water.

**Mr HARDWICK:** The M1 is a very large road. Which part of the M1 are you talking about?

**The CHAIR:** Sure. The bit between the entrance at Wahroonga—it is Wahroonga, isn't it, or Normanhurst?—and before you get to Brooklyn. That segment.

**The Hon. DANIEL MOOKHEY:** That is your commute, isn't it?

**The CHAIR:** It is, and I happen to have had an accident in a flooded lane—not that it is about me.

**The Hon. WES FANG:** Community concerns!

**The Hon. CATHERINE CUSACK:** Can you update us on electric vehicles and what the Government is doing to support the uptake of electrical private vehicles?

**Mr STAPLES:** Yes. I will just find the reference to this. I am just getting the strategy that we have released around this. We do have a paper here; I am just trying to find it. It is getting a little bit late! We introduced a New South Wales electric and hybrid vehicle plan in January of this year. The plan provides a framework of policies and actions designed to help New South Wales, overall, prepare for and support the transition to efficient, low-emission, quiet, clean, electric and hybrid vehicles.

The plan has been developed with input from New South Wales government agencies, and we also engage with a wide range of industry partners, including vehicle suppliers. Transport for New South Wales has ordered a number of battery electric cars to put into our fleet. We have a target of about 10 per cent and we will have some of those delivered in the near future to help drive in that direction. Over two years from July we are looking at more electric public transport buses. We talked a little bit about that earlier in terms of some of the trials. Mr Faurby touched on some of the things that we are trialling in his region. We are also undertaking a trial with transit systems in the inner west region, with four battery electric buses.

We are obviously looking globally at the sort of activities that are going on, particularly in Europe, where there is a lot of investment into that technology, for the fleet. So at one level we are a purchaser. We buy fleet, so we are looking through the supply chain and looking at the fact that buses are around for a long period of time. We are a major fleet holder, so we are looking at our own fleet, but we are a small portion when you look at the total car market. The transition to electric vehicles will certainly benefit consumers with lower vehicle operating costs, particularly for fuel and maintenance. It starts to have benefits around emissions. So there are lots of conversations we have around tunnels and tunnel emissions, but those sorts of things will start to disappear in the years ahead. As we move in we see enormous benefits.

Electric vehicle total operating costs are progressively falling, and we do see a shift over time. It would be fair to say that Australia and New South Wales has, on average, a higher average age of vehicle, so we see the take-up in the Australian context lagging a little bit from other jurisdictions around the world, just by the historical factor—unless the relative operating costs of the vehicle comes down rapidly relative to an existing old vehicle. We are hopeful that that will occur, not just because it is an electric vehicle, but also because that will bring vehicles with greater safety features—automatic braking, lane guidance, better crash worthiness in the vehicles, and so forth. So it could have wider benefits if we can drive down the operating costs. So the Government is focused around some of the things we talked about earlier from a policy setting point of view around how we

manage those things so that we can create a platform for charging stations and so forth that can facilitate better use, recognising—particularly when we look to regional New South Wales—that that is a more challenging thing. Electric vehicles tend to have shorter ranges and there is the re-charge and so forth, but we are very keen to progress that further.

**The Hon. CATHERINE CUSACK:** What is the Government doing to manage traffic in the Sydney CBD?

**Mr STAPLES:** I might ask Ms Mildwater to start on that.

**Ms MILDWATER:** I suppose the statistic that I would start with is that since 2015, I think it is, traffic coming into the CBD during the morning peak has dropped by about 13 per cent. That is actually a terrific outcome and it is something that we want to continue building on. Obviously a good start to that is improving public transport options, so people stop using their cars and start driving instead. When the light rail starts that will also help more metro train performance. Other things that we are doing—

**The Hon. CATHERINE CUSACK:** Before you continue, do you have that decline in vehicle numbers?

**Ms MILDWATER:** I actually do. That has been the result of some quite different activity as well in terms of Travel Choices programs with businesses and advertising. Here is the number. It means about an average of 8,000 to 9,000 fewer vehicles heading into the CBD each weekday morning between six and 10.00 a.m. That is less than in 2015.

**The Hon. CATHERINE CUSACK:** Fantastic, since 2015.

**Ms MILDWATER:** Yes. We have seen inbound vehicle trips into the CBD core over the 24-hour period have also reduced, so that is the full day on average—

**The Hon. CATHERINE CUSACK:** Is that cars and trucks or just cars?

**Ms MILDWATER:** What I have is vehicles, so that would be both. On average our traffic volumes have fallen 7.8 per cent across the day, so that is pretty significant. Something we have also seen is a bit of a shift in the peak, from peak to off-peak. That again is a good sign, because ideally what we would like to do is reduce the peaks of the day and spread the volume a little bit over the day. That relieves congestion, particularly on the big roads coming into the city.

**Mr STAPLES:** While Ms Mildwater is looking for further information, where we see the biggest shift initially is probably in the discretionary private vehicle driving, where it is optional either way. That has really contributed significantly to those numbers. What we are seeing going forward, though, is to continue to pursue more opportunities to reduce vehicles and even things like delivery vehicles and so forth. We are working with technology companies and freight providers to look at how they might create more hubs to consolidate deliveries in vehicles and so forth by optimising. Instead of having three vehicles during three separate deliveries, you actually start to get things coordinated outside of the CBD and one vehicle can do consolidated deliveries maybe to a delivery point with handheld delivery and so forth.

**The Hon. CATHERINE CUSACK:** It would be lovely to do that with garbage trucks, would it not?

**Mr STAPLES:** That is a little more challenging, unless we reduce the amount of garbage, of course, which falls slightly outside of—

**The Hon. CATHERINE CUSACK:** But three different trucks collecting rubbish from three different stores all beside each other is a bit—

**Mr STAPLES:** You are not asking me to take that one on notice.

**The Hon. CATHERINE CUSACK:** No, I will not. I am just saying that there are a lot of movements of trucks.

**Mr STAPLES:** The point that I am emphasising is that we are really proud of what we have been able to achieve and the Coordinator General has done a wonderful job in terms of the engagement and development with the Travel Choices program. But we are not stopping.

**The Hon. CATHERINE CUSACK:** The Travel Choices program is essentially about public transport, is it?

**Mr STAPLES:** It is about raising awareness in people's minds around the choices that they have and the benefits of maybe making different choices. We see that has a big future. Travel Choices at the moment has a

very personalised focus. You sit in front of someone and you ask them what they do across the day. You listen to the way they go about their journeys and then you propose alternative ways with them thinking about how they are going to manage their day through different and better transport choices. The big opportunity for us in the future is to do that at scale with technology, where it is presented to you right in front of you through technology platforms and so forth, which is an exciting future for us.

**The Hon. CATHERINE CUSACK:** Congratulations on an exciting outcome.

**The CHAIR:** That concludes this hearing. I sincerely thank all of the government officers for your attendance today. It has been a long day and it has been incredibly useful for us as a committee. The committee secretariat will be in touch in relation to all of the questions that were taken on notice as well as the supplementary questions, which can be provided by this committee within the next two days. After the receipt of those questions, you will have 21 days to respond with your answers. I give a special thanks to the Hansard team, who as always has done a stellar job, as well as to the committee secretariat.

**(The witnesses withdrew.)**

**The Committee proceeded to deliberate.**