

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

**Tuesday 10 September 2019**

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

## **REGIONAL TRANSPORT AND ROADS**

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

### **MEMBERS**

Ms Abigail Boyd (Chair)

The Hon. Niall Blair

The Hon. Wes Fang

The Hon. John Graham

The Hon. Shayne Mallard

The Hon. Mick Veitch

### **PRESENT**

**The Hon. Paul Toole**, *Minister for Regional Transport and Roads*

**Mr Stephen Bromhead**, *Parliamentary Secretary for Regional Transport*

**Mr Christopher Gulaptis**, *Parliamentary Secretary for Regional Roads and Infrastructure*

## **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 the budget estimates 2019-2020. Before I commence I would like to acknowledge the Gadigal people, who are the traditional custodians of this land, and pay my respect to the elders past and present of the Eora nation and extend that respect to any other Aboriginals present. I welcome Minister Paul Toole, Mr Stephen Bromhead, Parliamentary Secretary for Regional Transport, and Mr Christopher Gulaptis, Parliamentary Secretary for Regional Roads and Infrastructure, and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolio of Regional Transport and Roads.

Today's hearing is open to the public and is being broadcast live via the Parliament's website. In accordance with the broadcasting guidelines, while members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I also remind media representatives that you must take responsibility for what you publish about the Committee's proceedings. The guidelines for the broadcast of proceedings are available from the secretariat. All witnesses in budget estimates have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018.

There may be some questions that a witness can only answer if they have 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. I ask that where you are undertaking to provide an answer on notice that you make it clear so that Hansard staff can record it. Any messages from advisers or members' staff seated in the public gallery should be delivered through the Committee secretariat but, Minister, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated at the table behind you.

Transcripts of this hearing will be available on the web from tomorrow morning. Finally, could everyone please turn their mobile phones to silent for the duration of the hearing. 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 your office as a member of Parliament. The same applies to Mr Bromhead and Mr Gulaptis. I would also like to remind Mr Staples from Transport for NSW that you do not need to be sworn as you have been sworn at an earlier budget estimates hearing.

**RODD STAPLES**, Secretary, Transport for NSW, on former oath

**MATTHEW FULLER**, Deputy Secretary, Regional and Outer Metropolitan, Transport for NSW, sworn and examined

**PETER REGAN**, Deputy Secretary, Infrastructure and Place, Transport for NSW, affirmed and examined

**PETE ALLAWAY**, Acting Chief Executive, NSW TrainLink, sworn and examined

**ROY WAKELIN-KING**, Executive Director, Regional and Outer Metropolitan Division, Roads and Maritime Services, sworn and examined

**The CHAIR:** I declare the proposed expenditure for the portfolio of Regional Transport and Roads open for examination. The questioning of this portfolio will now begin. All witnesses including the Minister, Mr Bromhead and Mr Gulaptis will be questioned in this morning's session. After a lunch break we will continue questioning government witnesses. The Minister, Mr Bromhead and Mr Gulaptis will not be questioned in the afternoon and 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. MICK VEITCH:** Good morning, all. Thank you for your attendance. Minister, what is the time frame for the maintenance backlog on timber bridges on State-owned roads in New South Wales?

**Mr PAUL TOOLE:** I make the point that there are about 1,800 timber bridges right across New South Wales. Some of those timber bridges are more than 100 years old.

**The Hon. MICK VEITCH:** But they are not all on State roads.

**Mr PAUL TOOLE:** We note that some of them are.

**The Hon. MICK VEITCH:** But some are.

**Mr PAUL TOOLE:** Your question is in relation to maintenance on some of those roads. It is an extensive process. There are some bridges that need repairs. There are bridges that need replacing. As part of that we have also got programs in place to ensure that we are helping councils and replacing those roads so that we can get heavy vehicles across those roads in various parts of the State.

**The Hon. MICK VEITCH:** That is where I am going. With regard to the heavy vehicles—this is an issue that arises from the drought, as you would know.

**Mr PAUL TOOLE:** Very much so.

**The Hon. MICK VEITCH:** Delivering stock and fodder is becoming quite problematic. Is it true that a part of the asset management process for timber bridges is to place weight or load limits on those bridges until such a time as they can be maintained?

**Mr PAUL TOOLE:** In some cases that is what councils have been doing but we have been working through the National Heavy Vehicle Regulator [NHVR], talking with them about getting councils to allow some of these heavier vehicles to be able to access roads and even some of those bridges in their local government areas. You are right. There are some real pressures at the moment that our farmers are facing. We are finding that there have been heavier truck movements going to and from farms across the State. We also know that that is supporting those farmers to be able to move stock to the saleyards, to slaughter—whether it be bringing in fodder or water to assist the farmer in those situations.

**The Hon. MICK VEITCH:** So you would agree, Minister, that putting a weight or load limit on a timber structure in a way constrains productivity in part of those regions because they have to disaggregate some of the heavier vehicles to then break them down to get the loads across the bridge? Would that be true?

**Mr PAUL TOOLE:** It does constrain some of those load limits but also we are trying to ensure that we open up the opportunity to move more produce across the State and support our farmers. The other thing that I think you are missing is the fact that we have also got a program where there is about \$15 million available to assist councils across this State. What we have actually—

**The Hon. MICK VEITCH:** I am actually talking about on State roads, not council roads.

**Mr PAUL TOOLE:** Well, what we have actually seen though is that those heavy vehicles have had a major impact on some of those local roads. On top of our State roads we are actually supporting councils with

grants of up to \$300,000 because of the change of traffic movements that we are seeing with trucks using particular roads going to farms and therefore there has been an impact. So we are also providing support there.

**The Hon. MICK VEITCH:** Minister, the skill set required to work on timber bridges I would guess is almost a dying trade because we are moving towards concrete structures. What is the work crew size for our timber bridges in Roads and Maritime Services [RMS]?

**Mr PAUL TOOLE:** I might ask Mr Roy Wakelin-King if he has those details in relation to that.

**The Hon. MICK VEITCH:** Can I just say, Minister, the process has changed now. I actually get the bureaucrats this afternoon on their own and I intend to ask Mr Wakelin-King. This morning is with you, so if you could answer the question that would be good. If you cannot, take it on notice.

**Mr PAUL TOOLE:** Well, look, we are changing the structures and there is no doubt that through RMS we have come up with new designs. There are concrete bridges that are assisting councils. There are new structures that we are putting in place for State roads. That is making it easier to be able to replace those bridges. So we have a standardised format to use those bridges to assist heavier vehicles to access and go across them.

**The Hon. MICK VEITCH:** Minister, when it comes to replacing those timber structures clearly there is a planning process before you get to the construction phase or the construction of the new structure. What is the usual rule of thumb for planning money for one of those structures?

**Mr PAUL TOOLE:** Obviously there is planning and there are designers who have to have a look at each of those bridges. I am not going to sit here and say to you that every bridge is exactly the same.

**The Hon. MICK VEITCH:** No, they are not.

**Mr PAUL TOOLE:** We have bridges that in some cases are heritage bridges. We have bridges that are, as I said to you earlier, over 100 years old. We have bridges that are different sizes and dimensions. Clearly there is planning money that has to be put aside. We have experts that do the work to design those bridges that are suitable for the existing roads. Let's not forget it is not only the bridge that is put into the design; it is also the entrances to the bridge and also the other side of the bridge as well. We will talk about the bridge construction but it is also about access onto the bridge as well that is part of the construction and part of the planning phase that is developed.

**The Hon. MICK VEITCH:** Minister, are you familiar with McKanes Falls Bridge?

**Mr PAUL TOOLE:** I do know McKanes Falls Bridge.

**The Hon. MICK VEITCH:** Yes, you should.

**Mr PAUL TOOLE:** I do.

**The Hon. MICK VEITCH:** It is in his electorate, for those who do not know. For a number of years now there has been a line item in the budgets, hence the quip from Mr Mallard earlier, for the last few years regarding planning money for McKanes Falls Bridge. When is the bridge actually going to be constructed? Are we just going to keep planning this bridge?

**Mr PAUL TOOLE:** No, we are not going to keep planning. There are a number of bridges right across this State, and you would be aware that when Minister Gay was in this particular portfolio he announced—

**The Hon. MICK VEITCH:** Interesting you say that. Thank you for mentioning that.

**Mr PAUL TOOLE:** Yes. I am helping you.

**The Hon. MICK VEITCH:** I want to quote former Minister Gay from 8 May 2013 where he talks about replacing and upgrading five key priority higher mass limit deficient bridges. He talks about timber truss bridges in New South Wales, the Warroo Bridge west of Forbes and McKanes bridge over the Coxs River. Six years later, has the bridge been replaced at McKanes Fall?

**Mr PAUL TOOLE:** That is an important region. I know that it is going to be important for heavier vehicles to be able to use that particular bridge. It is expected that—

**The Hon. MICK VEITCH:** Six years' worth of planning. Six years, Minister, for planning.

**Mr PAUL TOOLE:** I have been in this role for only six months and I can tell you that, having an interest in that particular bridge, construction is actually to start in February 2020.

**The Hon. MICK VEITCH:** Are you happy it has taken six years to get to this point?

**Mr PAUL TOOLE:** What I am doing as the Minister is putting a greater focus on regional transport and roads. Bridges like that are something that I am very concerned about—whether it be in my electorate or in other parts of the State.

**The Hon. MICK VEITCH:** Is McKanes Fall Bridge an example of how long it takes to plan timber bridges and the replacement of timber structures in New South Wales?

**Mr PAUL TOOLE:** I do not think that is a fair question. When you have a look at the investment—

**The Hon. MICK VEITCH:** It is a fair question. It has taken six years.

**Mr PAUL TOOLE:** When you see the investment that we are seeing in our roads and bridges right across the State, you can see that we are spending billions of dollars.

**The Hon. MICK VEITCH:** Why did it take six years, Minister?

**Mr PAUL TOOLE:** As I said to you, you asked me earlier when it will start construction? February 2020.

**The Hon. MICK VEITCH:** Why did it take six years?

**Mr PAUL TOOLE:** It is going to start in February 2020 and I look forward to seeing that work commence.

**The Hon. MICK VEITCH:** Was there a problem with the planning?

**Mr PAUL TOOLE:** I look forward to seeing the construction begin. You would know that you have to do the planning for the design of these bridges but also—

**The Hon. MICK VEITCH:** But not for six years. There must be a reason why it took six years for this particular bridge to go through the planning phase, surely.

**Mr PAUL TOOLE:** When the Minister at the time announced a number of bridges across the State—this was part of fixing country bridges—he outlined quite a number of bridges across the State. Let's be clear here, not all these bridges are going to be constructed overnight. He indicated quite a number of bridges that were a part of a long list to be rolled—

**The Hon. MICK VEITCH:** Was this a trick in the budget, Minister? Just to get a line item for this particular bridge in the budget so that you can say it is in the budget?

**Mr PAUL TOOLE:** It is a—

**The Hon. MICK VEITCH:** Were you duplicitous about helping out the local member at the time?

**Mr PAUL TOOLE:** I am always happy to advocate on behalf of my community like any other local member.

**The Hon. MICK VEITCH:** Your advocacy took six years.

**Mr PAUL TOOLE:** Importantly, we are getting a good investment in my local area too, Mr Veitch.

**The Hon. MICK VEITCH:** Did you have to become the rural roads Minister to get the bridge sorted?

**Mr PAUL TOOLE:** The planning was already underway. I am pretty happy about that.

**The Hon. MICK VEITCH:** With regards to the timber bridges and the work crews, whereabouts are the work crews located in New South Wales for these two constructions?

**Mr PAUL TOOLE:** Some of them are involved in some of the RMS officers who actually do the design work, some of them are contracted out as well and I am happy if—

**The Hon. MICK VEITCH:** Are any located in the Bathurst electorate?

**Mr PAUL TOOLE:** I am unaware. I would have to ask Mr Regan to take it on notice or if you want Mr Roy Wakelin-King to answer it, you can ask him this afternoon.

**The Hon. MICK VEITCH:** I will ask this afternoon.

**Mr PAUL TOOLE:** Alright then we will not take on notice.

**The Hon. MICK VEITCH:** I will tell you why I am asking this question. This is a dying art, a dying trade—obviously because we are replacing timber structures. Are we doing this in-house or are we going to outsource the requirements to conduct the maintenance on these bridges?

**Mr PAUL TOOLE:** That is exactly what we are looking at. We are looking at where we can do it in-house but obviously it is a skill that is required, and in some cases we are looking at the opportunity to go out to contract work as well. As part of the construction and the maintenance, this is something with the expanding investment that we are seeing into the regions, this is going to increase jobs right across our area and the State. Importantly we are going to be looking at creating further opportunities even for other businesses.

**The Hon. JOHN GRAHAM:** Minister, in *Budget Paper No. 3* this program to replace timber bridges across the State is listed as a \$25.5 million allocation for this year, as part of a \$500 million total commitment. That \$25 million is, I think, \$25 million of capital expenditure and then a half a million of expenses on top. Is that your understanding?

**Mr PAUL TOOLE:** My understanding is there is a \$500 million commitment as you rightly said and there is \$25.5 million in this year's budget

**The Hon. JOHN GRAHAM:** Some of that is the capital expenditure and some of that is the expenses on top. I am happy if you get Mr Staples to confirm that.

**Mr PAUL TOOLE:** Before Mr Staples answers I will also make the point that this was an election commitment that we made as a government. I go back to where I was talking to Mr Veitch about these 1,800 timber bridges.

**The Hon. JOHN GRAHAM:** I am about to ask you about that so you might want to get Mr Staples to confirm.

**Mr PAUL TOOLE:** I am very happy for Mr Staples to comment further.

**Mr STAPLES:** As the Minister said we have a \$500 million program.

**The Hon. JOHN GRAHAM:** I am just asking you to confirm or deny that fact—this is \$25 million in capital expenditure and half a million dollars of expenses.

**Mr STAPLES:** All I can confirm at the moment is we have got \$25 million and half a million allocated.

**The Hon. JOHN GRAHAM:** I might come back to you later on, Mr Staples. Minister, when you made an election promise you promised \$500 million of capital expenditure over five years. Can you promise us today that that \$500 million of capital expenditure on timber bridges will roll out across the State?

**Mr PAUL TOOLE:** I will make the point to you that we have actually said \$500 million is going to be spent on fixing country bridges across this State—

**The Hon. JOHN GRAHAM:** Because when you made that promise you also included an additional amount for expenses, which added up to another \$24.5 million dollars. Can you guarantee that that additional money on top will not come out of the \$500 million? It did not in your election costings. I want to know, in the budget, will you give us a guarantee that you will not implement a \$24.5 million cut to this fund?

**Mr PAUL TOOLE:** I make the point that we have got \$500 million that is allocated in this budget and we are going to honour that election commitment. Fixing country bridges is an important program—

**The Hon. JOHN GRAHAM:** Will you stick to it? Will you guarantee that you will?

**Mr PAUL TOOLE:** Mr Graham, \$500 million is what we have actually—

**The Hon. JOHN GRAHAM:** This is simple. I accept your answer. I am moving on.

**The Hon. WES FANG:** Point of order: The member is entitled to ask a question but the Minister should also be permitted to answer the question without being interrupted by the member opposite.

**The CHAIR:** If you could let the Minister speak for at least a little bit after each question that would be good.

**The Hon. JOHN GRAHAM:** Will you guarantee that the election policy costings you took to the election you will implement in full in relation to this program? A simple commitment.

**Mr PAUL TOOLE:** We had an election commitment and that will be honoured.



**The Hon. JOHN GRAHAM:** Thank you. I want to ask about the 15,000 kilometres of local roads that the State will take control of. You have said you will appoint an independent expert panel. When will that panel be appointed?

**Mr PAUL TOOLE:** We have said 15,000 regional roads will be reclassified back to the State.

**The Hon. JOHN GRAHAM:** Fifteen thousand kilometres.

**Mr PAUL TOOLE:** Fifteen thousand kilometres.

**The Hon. MICK VEITCH:** Just to be clear for the record that is not 15,000 roads, it is 15,000 kilometres.

**Mr PAUL TOOLE:** Fifteen thousand kilometres. We said this would be undertaken by an independent panel. An independent panel will be announced in the coming months and it will be their work to go out and talk to stakeholders, they will be talking to local councils—

**The Hon. JOHN GRAHAM:** When are you expecting to do that? How soon?

**Mr PAUL TOOLE:** Before the end of the year the committee will be announced and then they will commence their work.

**The Hon. JOHN GRAHAM:** Who will be on the panel? What sort of people are you thinking about appointing to it?

**Mr PAUL TOOLE:** I am looking at people who have potentially got expertise in local government and expertise in having worked on roads in the past. There will be a number of people who will be considered. That brief will come to me and then go to Cabinet for a final decision before we announce the committee.

**The Hon. JOHN GRAHAM:** What will be the criteria for the sorts of roads you will take off councils and bring into State control?

**Mr PAUL TOOLE:** The terms of reference are still being developed, Mr Graham, but importantly—

**The Hon. JOHN GRAHAM:** Give us some feel for the sorts of roads? What are you looking to take?

**The Hon. NIALL BLAIR:** Give us the vibe.

**The Hon. JOHN GRAHAM:** Councils were concerned about cost shifting.

**Mr PAUL TOOLE:** They are concerned, yes, don't you worry. They are very concerned about it. When Labor was in and they handed over roads a number of years ago it actually cost councils around \$477 million that they had to find. Some of those councils did not have the rate base to be able to maintain those existing roads. What we wanted to do is look at those—

**The Hon. MICK VEITCH:** So you are going to support the councils in this process?

**Mr PAUL TOOLE:** We are going to support councils.

**The Hon. MICK VEITCH:** And you will ensure the viabilities of councils?

**Mr PAUL TOOLE:** That is a another question. I will come back to that one in a moment. In relation to the particular program with the roads being reclassified, this is a very complex process. This is a process that we are going to engage with local government. In this particular situation we know that it could impact upon financial assistance grants that councils receive. We also know that there may be—

**The Hon. JOHN GRAHAM:** I am asking you what sorts of roads you are looking to take back. You have said to the Institute of Public Works Engineering Australasia [IPWEA] team that you are not taking back goat tracks. What sorts of roads will you take?

**Mr PAUL TOOLE:** It will be regional roads back to State roads.

**The Hon. JOHN GRAHAM:** Regional roads back to State roads. Can you confirm that is exactly what you said to the IPWEA conference, "We are not taking back goat tracks"?

**Mr PAUL TOOLE:** You are talking about IPWEA. I made a comment that we are not going to be taking back a road that is actually now—and there was a bit of confusion with some councils thinking they could just hand any road back to the State—this is not how it is going to work. What we are going to do through the—

**The Hon. JOHN GRAHAM:** So you do not want the goat tracks. What roads are you looking for?

**Mr PAUL TOOLE:** We are looking at roads that are regional roads and potentially roads that we have now seen a shift in—say traffic movements over the years—more of a road that is seen as of State significance.

**The Hon. JOHN GRAHAM:** But isn't that exactly the concern of councils. They want to hand over the roads they can least fund. You are looking to take a different approach. Isn't that part of the tension?

**Mr PAUL TOOLE:** We are going to take roads that are part of the State network. We have seen the State and communities grow and people change their modes of travel. It is important that we take back those roads that will make up part of the State network. As I said, this is a complex issue. It will not happen overnight. It will be a fairly lengthy process that involves talking to councils to ensure that we get the process right.

**The Hon. JOHN GRAHAM:** But what you have put on the record so far, what you have said to them, is exactly what they are concerned about. They are looking for help and you are saying to them, "We won't help with those roads you are most worried about". Do you accept that?

**Mr PAUL TOOLE:** Hang on.

**The Hon. JOHN GRAHAM:** Do you accept that?

**Mr PAUL TOOLE:** I accept that they are pretty excited to know that this Government has about \$1.54 billion to support them—whether it be for roads or for bridges. The reclassification—

**The Hon. JOHN GRAHAM:** Who is going to pay the cost?

**Mr PAUL TOOLE:** The reclassification is actually on top of that.

**The Hon. JOHN GRAHAM:** Who is going to pay the cost of this? Because you haven't costed what happens with these roads.

**Mr PAUL TOOLE:** I will tell you what we will do. We know that there is a cost and as part of the work that the independent will undertake will be to work out the status of the road and what the cost of the road is to bring it up to a standard. Some of the councils have done a fantastic job in maintaining those regional roads so therefore there is a limited cost to come back to councils, back to the State.

**The Hon. MICK VEITCH:** Just picking up on that. The issue that a lot of the regional councils are raising, their concern about this process, is that they have RMS contracts to maintain roads. If these roads are transferred back to RMS they may well lose their single contract for maintenance. That means they may have to put off staff. As you would know as a former mayor, in some of these smaller councils, that means they cannot use their crews for the whole 12 months. Is this a part of the consideration for the independent panel?

**Mr PAUL TOOLE:** Yes. I know Mr Graham read my speech and that was part of the speech as well. Thank you for also for reading it.

**The Hon. MICK VEITCH:** You would be surprised what we watch.

**Mr PAUL TOOLE:** You do know that I am aware that there are contracts involved with maintenance on roads with councils—

**The Hon. MICK VEITCH:** Yes because you do not want to drive them broke by taking a road.

**Mr PAUL TOOLE:** Absolutely. We know it is critical to that workforce. Until we get out there and get into the finer detail to see what that impact might be and what the changes might mean to a local council—

**The Hon. MICK VEITCH:** But you would agree that it is absolutely essential that the councils, particularly regional councils, hear you say that as a part of this process they are not going to lose the revenue base they have from the single contract for maintenance on roads.

**Mr PAUL TOOLE:** I am not going to pre-empt a process because what we are going to do is go through—

**The Hon. MICK VEITCH:** So you cannot guarantee it?

**Mr PAUL TOOLE:** We are going to go through the process but what I have said to you is that I am going to guarantee that we look at all the impacts, rather than what we saw when Labor handed the roads over to council then—

**The Hon. MICK VEITCH:** So you cannot guarantee.

**Mr PAUL TOOLE:** —Labor cost councils \$477 million.

**The Hon. MICK VEITCH:** They do need—they cannot guarantee—

**The CHAIR:** Order! One at a time.

**Mr PAUL TOOLE:** What I said was, the independent panel will go out and talk to every council that is going to be involved in this process and they will talk about—

**The Hon. MICK VEITCH:** What is the time frame?

**Mr PAUL TOOLE:** I have not determined that and I will not rush the Committee into coming back with a time frame. Once the Committee is established I will sit down with—

**The Hon. MICK VEITCH:** Do you think like a couple of years' process?

**Mr PAUL TOOLE:** It probably would take a couple of years if it is going to be done right. As I sit here today, it could probably take 18 months to two years for that process to be undertaken correctly. I am only pre-empting so I say it as part of a process that needs to be considered.

**The Hon. MICK VEITCH:** Thank you, Minister. I do not need someone who has been here for five minutes to tell me how to do my job, Wes, so you just be careful.

**The CHAIR:** Order!

**The Hon. NIALL BLAIR:** You can handle it, come on. You've got a glass jaw if that's going to upset you in the first session.

**The CHAIR:** I wanted to talk about connecting regional cities and the fast rail network. Last year there was an announcement that the New South Wales Government was appointing Professor Andrew McNaughton to lead an expert panel to provide advice in relation to a Fast Rail Network Strategy. Can you give us an update on what is happening with that panel and has it been appointed?

**Mr PAUL TOOLE:** I have met with Professor Andrew McNaughton on a number of occasions. We are serious about fast rail and the importance that can have in regional communities. Professor McNaughton is currently looking at four routes. I am hoping by the end of the year he will also come back and talk to us about the progress that he is involved in. I think it is about providing that initial investment. We all know that fast rail is not going to be built in the next two or five years but it has to be a big bold vision that the State will provide for fast rail.

This is about opening up communities. This is about connecting communities to other regional and major metropolitan centres. I think this is an important step in the right direction that we are undertaking. We are investing around \$295 million into fast rail over the next four years. This is something that I see as a real game changer. It enforces the Government's big bold vision that we have here in New South Wales for improved connectivity.

**The CHAIR:** Do you know if an expert panel has been put together yet?

**Mr PAUL TOOLE:** Not at this point. Professor McNaughton has been holding a number of consultations and workshops across the State, getting feedback from communities around the area.

**The CHAIR:** Are there terms of reference for that panel or the work that Professor McNaughton is doing?

**Mr PAUL TOOLE:** There are terms of reference regarding that particular work. Professor McNaughton is looking at the four routes. There is a northern route, which includes the Central Coast and Newcastle. There is the southern inland route, which includes Goulburn and Canberra. There is the western route, which includes Lithgow, Bathurst, Orange and Parkes. There is also the southern coastal route, which includes Wollongong and Nowra.

**The CHAIR:** Is Professor McNaughton providing advice on the management and ownership possibilities for those routes?

**Mr PAUL TOOLE:** Not at this point. At this moment in time Professor McNaughton is looking at the most appropriate routes. He is looking at train speeds and where stations may be located for fast rail. It is still early days but I like the fact that we have an expert here, from the United Kingdom, who is doing the work at the moment to provide a fairly comprehensive report by the end of the year regarding fast rail.

**The CHAIR:** Will the Fast Rail Network Strategy be publicly released at the end of the year? Is that what Professor McNaughton is working on?

**Mr PAUL TOOLE:** I will get it first and obviously it will then go through a process of going to Cabinet to look at as well. That will be a decision made by Cabinet at that particular time.

**The CHAIR:** When would you expect that to be released?

**Mr PAUL TOOLE:** If I get it at the end of the year, depending on the breaks of Christmas and all of that, it may be a few months into the New Year when it goes to Cabinet. Potentially that will be a decision that Cabinet makes as to when it may be released.

**The CHAIR:** Do you accept that there is a tension between fast rail or high-speed rail and the airline industry and the airline industry's interest?

**Mr PAUL TOOLE:** I think they can both coexist. They have very different needs and they can meet very different markets. I think there is an opportunity for both of them to coexist quite efficiently.

**The CHAIR:** In other countries we have seen very good rail services significantly reduce airline patronage. The airline industry would have good reason to be opposed to fast rail or high-speed rail. How do you plan to address that tension?

**Mr PAUL TOOLE:** I think the exciting opportunity here for people is about slashing travel times. When you look at people living in the regions, one of the big things they are talking about is where you start it. It is about connectivity and slashing travel times so people can move from the regions into some of the other larger regional centres in a more timely manner. In relation to any conflicts between the two bodies, I have to say that no-one has ever raised that with me at this point in time as the Minister either.

**The CHAIR:** I understand the Melbourne-Sydney flight route is the second busiest route in the world. I know that some of this is a Federal decision when it comes to the second airport at Badgerys Creek but an alternative to a second airport would be to have a high-speed rail link between Sydney and Melbourne. As you rightly point out, when you look at the travel times, that would have been an exciting option for people who would commute between Sydney and Melbourne. Will Professor McNaughton address the impact of the western Sydney airport on the viability of the fast rail plans now in New South Wales?

**Mr PAUL TOOLE:** Not at this point. His task at the moment is to look at those four routes. That is what he has been assigned to do. If we change the scope and ask him to undertake extensive or additional work that would be something that we would have to consider. Because that would fit into Minister Constance's area, that would have to be a decision for Minister Constance as well.

**The CHAIR:** Fair enough. Do you think that the second airport has harmed the prospects of a fast or high-speed rail in regional New South Wales?

**Mr PAUL TOOLE:** It is a question that should be directed to Minister Constance.

**The CHAIR:** I am talking about the regional fast rail plans, though.

**Mr PAUL TOOLE:** I think there is opportunity. This is what it is about. There are opportunities here to actually have fast rail. I think, importantly, this is something that we are pretty excited about in the regions, to actually know that there is some actual extensive work going on looking at faster rail in our regions. But I think it can actually coexist. When you are talking about a second airport, this is about moving freight. This is about opening up further opportunities, but I do not see it impacting in any way on the opportunity to have fast rail.

**The CHAIR:** Thank you.

**The Hon. NIALL BLAIR:** I cannot fly to Goulburn but I would love to get there quick on a train.

**Mr PAUL TOOLE:** Is that a question?

**The Hon. NIALL BLAIR:** No, it is a statement. That is why I get paid the big bucks.

**The CHAIR:** Great. So looking at the Intercity fleet, what is the latest estimate for the delivery of the trains for the Intercity fleet?

**Mr PAUL TOOLE:** Again, that primarily sits with Minister Constance, but the Intercity fleet is expected to be ready by the end of this year, so the end of 2019. Then there will be testing. There will be a commissioning that is involved as a part of the new Intercity fleet being rolled out.

**The CHAIR:** And what is the latest estimate, then, for the first passenger services for the Central Coast? Are we looking at the first quarter of 2020?

**Mr PAUL TOOLE:** It fits in Minister Constance's portfolio, but I can ask Mr Staples. He might be able to assist you in relation to that question while we are here.

**The CHAIR:** Yes, that would be good. It is hard to understand the regional versus non-regional aspects to the portfolios.

**Mr STAPLES:** Yes, we did cover this briefly at the session with Minister Constance. The first two trains will arrive this calendar year and will go through a process of testing the trains, driver training and so forth, and making sure that all the compatibility of the systems works. And we will then bring them into service next year. We are doing some detailed planning work around that at the moment and we expect to be able to give an update on the specific timing once the trains arrive at the end of this year.

**The CHAIR:** Thank you. So are the Central Coast and Illawarra then part of Minister Constance's responsibilities or are they part of your responsibilities?

**Mr PAUL TOOLE:** The Central Coast is me, but the Intercity fleet is obviously one of those portfolios which crosses over. The Intercity fleet is the primary responsibility of Minister Constance. In some situations like this I do have an interest in the Intercity fleet, but primarily it does sit with Minister Constance.

**The CHAIR:** Okay. Then perhaps, Mr Staples, do you know the latest estimate of the total cost for that new fleet?

**Mr STAPLES:** I do have that. Just give me a second. Mr Regan?

**The CHAIR:** Perhaps, Minister, you could give us the cost of the building and operating of the new maintenance facility at Kangy Angy?

**Mr STAPLES:** So the maintenance facility at Kangy Angy is actually part of the overall contract for the delivery. So essentially we have entered into a contract with a supplier to provide those trains and maintain them at Kangy Angy. So they are actually constructing them or are in the process of constructing that. So the overall contract value for the new Intercity fleet is \$2.3 billion.

**The CHAIR:** So that was the original estimate, though, was it not? I thought that was \$2.3 billion without the maintenance facility included.

**Mr PAUL TOOLE:** Just while Mr Staples is finding that, I also point out that construction actually started in June 2018. It will actually service and maintain the new Intercity fleet. The project has the potential to create around 300 jobs on the Central Coast during construction and the maintenance term, and it will actually create current and ongoing opportunities for local businesses that will be involved in supplying goods and services to that new maintenance facility once it is operational as well.

**The CHAIR:** While we are talking about the Kangy Angy facility, I know this was a little while ago now but why was the site at Kangy Angy chosen? It was not one of the 24 potential sites that was listed at the beginning of the project, was it?

**Mr STAPLES:** I was not involved at the time, so just to clarify back to the point, the dollar figure I quoted to you excluded the Kangy Angy facility. So we will just see if we can give you some further information around that. Decision-making around where we maintain is very much an operational consideration and the location on the Central Coast is hugely beneficial insofar as it is on one of the main corridors and one of the busier corridors for the use of the fleet. So we would have looked at a range of different options. Being located midway between here and Newcastle is actually quite beneficial operationally.

**The CHAIR:** There was a shortlist of 24 potential sites and Kangy Angy was not one of them. Do you know why they would have proceeded with a site that was not—

**Mr STAPLES:** I am just trying to understand why—are you referring to a particular document in relation to that? It would be helpful for me to understand what you are referring to.

**The CHAIR:** I actually do not know. Sorry, all I have here is that the original shortlist had 24 potential sites and that Kangy Angy was not one of them. As I am sure you know, the Kangy Angy site is a bit controversial for a few reasons, primarily the flood risks. It was seen as not really being an acceptable site by a number of transport engineers and infrastructure specialists, and there were complaints raised at the time from the local community. But also there is the impact on the surrounding environment and threatened species.

**Mr STAPLES:** We acknowledge that there was local community concern about that facility during this part of the planning process. We worked through a consultation process. We gave a number of undertakings and

mitigations as part of the planning approval to manage that, but it has gone through a statutory planning approval process.

**The CHAIR:** What steps is the Government taking to protect the local environment around that site, particularly with regard to the local creek?

**Mr STAPLES:** I might just check with Mr Regan whether he has got any more detail as he is actually responsible for the delivery of the fleet.

**Mr REGAN:** Thank you, Mr Staples. So as part of the construction works that are underway at the moment, Transport and its contractors are complying with all of the required conditions of approval in and around the site. That has included the requirements on the environmental side around tree clearing and around protections around the creek and other vegetation in the area.

**The CHAIR:** Last November a major rain event on the site caused sediment material and other debris to flow into nearby waterways and creeks that are vital for local fauna and flora. Why was that allowed to happen and what steps are you taking to make sure that does not happen again?

**Mr REGAN:** I would have to take on notice the specific details of what has happened in that event.

**The CHAIR:** Are you aware of that situation, Minister Toole?

**Mr PAUL TOOLE:** No. It is before my time as Minister. I am not aware of it, but we will take it on notice.

**The CHAIR:** Thank you. The area is home to the foraging habitats of two critically endangered birds, the regent honeyeater and the swift parrot. Again, has the Government taken any steps to ensure the protection of those species?

**Mr REGAN:** Again, I am happy to come back with the specific details. We are, as far as I am aware, undertaking all of the requirements that were in the planning conditions. But I am happy to take on notice the specific details around those two birds.

**The CHAIR:** Thank you. That would be useful. So will all of the Intercity trains that travel to regional lines such as the Blue Mountains and the South Coast be serviced at the Kangy Angy maintenance facility?

**Mr STAPLES:** The heavy maintenance facilities for those trains will be undertaken at Kangy Angy—things like cleaning and so forth that will be undertaken at various locations across the network.

**The CHAIR:** Okay. Now, you may tell me this is before your time, but why weren't the sites considered on the South Coast or the Blue Mountains to more directly service the trains that run on those lines?

**Mr STAPLES:** Certainly I can say with great confidence that we will have considered a range of options across the network, but ultimately to maintain a fleet of this nature you do need to have a singular location where you consolidate the expertise and all of the equipment that is required to do the heavy maintenance on the trains. It is not unusual for a fleet of this size to have a singular location for heavy maintenance. Most of our train types across the network are typically maintained from one location on the network, so there is nothing particularly unusual about choosing one site and focusing your expertise and your equipment.

**The CHAIR:** Okay. But do you believe that that Kangy Angy site was the most direct spot for all of those trains on the different lines?

**Mr STAPLES:** There are a range of factors that you have to take into account of the site location itself in terms of the size of the site, the topography of the site and then also the operational considerations as we rotate trains through an operational pattern. Mr Allaway would certainly be able to talk more about this.

**The CHAIR:** Are you able to provide on notice some information as to why the Kangy Angy option was chosen?

**Mr STAPLES:** I am happy to take on notice to provide some more background on absolutely the selection process for that site.

**The CHAIR:** That would be really useful and maybe then we can pick it up again in supplementary hearings, if indeed we have them—pre-empting slightly! Coming back to the Intercity fleet, \$2.3 billion does not include the Kangy Angy site. It also does not include that new train order, does it? There was an additional amount.

**Mr STAPLES:** Yes, there was an additional amount, which Mr Regan may be able to speak to. I will have to take the cost of the Kangy Angy site on notice but we did make some additional orders last year, which Mr Regan can talk to.

**Mr REGAN:** That is right. The order was expanded earlier this year, with an additional 142 carriages, I believe.

**The CHAIR:** Okay. That took it to \$2.43 billion, I understand, without taking into account the maintenance facility?

**Mr REGAN:** My apologies: It is an additional 42 carriages, not 142.

**The CHAIR:** Yes. It took it to \$2.43 billion. Is that right?

**Mr REGAN:** I believe that that number is correct but I will take it on notice to confirm.

**The CHAIR:** Last year the New South Wales Auditor-General warned that the total cost could rise to as much as \$3.9 billion. Are you aware of any increase in the cost for the project since that \$2.43 billion estimate?

**Mr REGAN:** Certainly I am not aware of that number and the forecasts that we are currently working to are not consistent with that, no.

**Mr STAPLES:** I am sorry, could you reference which document you are quoting that from?

**The CHAIR:** I am actually looking at a news report from 18 August 2016 from *The Sydney Morning Herald* saying that the New South Wales Auditor-General has warned that the total cost of the project, including the new maintenance facility, would rise to as much as \$3.9 billion. At the time, Minister Constance had said that he did not think it would come to \$3.9 billion but did not deny there could be a blowout. Are you aware of any blowout in costs on the Intercity fleet?

**Mr STAPLES:** No, but we are happy to take it on notice and update on the project costs, if that is what you are looking for.

**The CHAIR:** That would be great. Thank you very much. What are the current on-time running figures for regional rail? Has it improved in the last 12 months?

**Mr STAPLES:** Certainly we monitor on-time running and customer satisfaction across the network. We are happy to hand to Mr Allaway, who is the Acting Chief Executive of NSW TrainLink, to provide you with some more detail about on-time running. It is worth touching on the customer satisfaction results as well.

**The CHAIR:** Thank you.

**Mr ALLAWAY:** What I can confirm is that in the last year we have hit our on-time running for regional rail services—78.2 per cent—which means that for two consecutive years we have actually hit the target for regional rail. As Mr Staples points out as well, we are very proud in NSW TrainLink of the fact that our customer satisfaction results in regional rail are at 97 per cent as well.

**The CHAIR:** Great. Thank you.

**The Hon. MICK VEITCH:** Minister, I want to talk to you about the recent media reports around the XPT fleet and the fact that we now have, as I understand it—and there may be an update—four of the 19 XPT locomotives have been impacted upon by the, shall we call it, the pin issue? Is that correct—four of 19 at the moment?

**Mr PAUL TOOLE:** The centre pin?

**The Hon. MICK VEITCH:** Yes.

**Mr PAUL TOOLE:** Yes, Mr Veitch.

**The Hon. MICK VEITCH:** Okay. With regard to the centre pin, do we have a supply of those in storage or do they have to be forged at the moment?

**Mr PAUL TOOLE:** They have to be ordered and there is a bit of a delivery time lag in relation to ordering those pins. There were some cracks that were discovered in those pins and we have gone through the process of ordering new pins, which are on their way.

**The Hon. MICK VEITCH:** I am sorry—there were cracks in the new pins that arrived?

**Mr PAUL TOOLE:** No. I am aware that the cracks had been identified in the centre pins of the four XPT diesel locomotives.

**The Hon. MICK VEITCH:** Okay. Thank you. Minister, when did you first know about the cracks in the centre pins?

**Mr PAUL TOOLE:** Look, I found out about it probably a few weeks ago. The reason I actually found out about it was when actually services had been impacted. I was of the understanding that the engineers had had a look at the maintenance work on the XPTs and had discovered these cracks. Importantly, Transport for NSW took the appropriate steps and actually removed those trains from the rail network until we can actually put those new centre pins into those trains.

**The Hon. MICK VEITCH:** When was the first locomotive identified as having an issue with the centre pin?

**Mr PAUL TOOLE:** Look, it is my understanding from my briefing that it may have been back earlier in the year, but I do make the point as well—

**The Hon. MICK VEITCH:** So January-February?

**Mr PAUL TOOLE:** Look, I just said "earlier in the year". It is my understanding, though, that the engineers are the experts here. We actually carry out maintenance on our trains every 42 days. So there is maintenance that is carried out on the XPT trains every 42 days. So, importantly, the appropriate steps—

**The Hon. MICK VEITCH:** Just like an aircraft, essentially a maintenance schedule has to be maintained to ensure safe running.

**Mr PAUL TOOLE:** Especially when you have a fleet of this age. You have got a fleet, and the XPTs have been around for 37 years. I think well and truly they have been servicing the community for a number of decades now.

**The Hon. MICK VEITCH:** They have done well.

**Mr PAUL TOOLE:** It has been critical and very important.

**The Hon. MICK VEITCH:** They have done very well.

**Mr PAUL TOOLE:** I think it is nice to know that we are actually investing in a new fleet so we will have new XPT trains, new Endeavours and new Xplorers coming on as well.

**The Hon. MICK VEITCH:** Of the 19, how many more have subsequently been assessed that had had their centre pin assessed?

**Mr PAUL TOOLE:** Look, I do know that there are the four that have been identified with the cracks. I am satisfied that Sydney Trains are actually taking the appropriate measures to ensure that we are not going to put customers—

**The Hon. MICK VEITCH:** Are we waiting for the 42-day maintenance cycle to check the pins, or have they actually gone through a process?

**Mr PAUL TOOLE:** Because that is a technical issue and I am obviously concerned about services and making sure that both customer and staff are the number one priority for safety.

**The Hon. JOHN GRAHAM:** It is a pretty important issue, though, Minister. Have the trains been checked? Have these pins been checked?

**The Hon. NIALL BLAIR:** He is just about to answer it, if you let him answer it.

**The Hon. WES FANG:** No. They want to interject so they get it in *Hansard*.

**Mr PAUL TOOLE:** The centre pins over the coming months will be replaced for the entire locomotive fleet so we have actually ordered pins for even those that have not been identified as having cracks. New pins are being ordered. They will be here and the entire locomotive fleet will actually have the pins replaced anyway.

**The Hon. MICK VEITCH:** I just want to clarify, is that as a part of the 42-day maintenance cycle or will they be taken off specifically to address the centre pin issue?

**Mr PAUL TOOLE:** Look, they have all been tested.

**The Hon. MICK VEITCH:** Okay.



**Mr PAUL TOOLE:** They have all been tested and I think that is the critical question here. All the XPT trains have been tested. We are satisfied those four that are not operational from the cracked pins that there are new pins coming to actually replace them. Importantly, even those that are actually still with no cracks appearing we are actually replacing the pins in coming months.

**The Hon. MICK VEITCH:** What is the time frame, Minister, for the pins to arrive?

**Mr PAUL TOOLE:** Yes, it is a couple of months. I could check with Mr Allaway if you wanted me to confirm.

**The Hon. MICK VEITCH:** No, that is okay. I will ask Mr Allaway later.

**Mr PAUL TOOLE:** I would say it is a couple of months.

**The Hon. MICK VEITCH:** Okay.

**Mr PAUL TOOLE:** But you have to remember that, with an ageing fleet like this, we have done very well to ensure that they have continued to be able to service the communities in regional and rural areas.

**The Hon. MICK VEITCH:** Are any other services impacted? That is an obvious question that the community wants to know the answer to. As I understand it—correct me if I am wrong—this is the Grafton service at the moment?

**Mr PAUL TOOLE:** Correct. That is correct.

**The Hon. MICK VEITCH:** Is there any other service in New South Wales that will be impacted upon by the requirement to remove locomotives from the system to replace the centre pin?

**Mr PAUL TOOLE:** What we are trying to do is ensure that the network continues as well. While we may not see the XPTs running, we are providing TrainLink services so that those customers can still have connectivity to the regions or the areas they may wish to travel to.

**The Hon. MICK VEITCH:** And buses? There will be other trains and buses?

**Mr PAUL TOOLE:** Maybe both, yes. But certainly TrainLink services are actually providing buses in a number of locations.

**The Hon. MICK VEITCH:** When was the first one identified? Earlier in the year, you say.

**Mr PAUL TOOLE:** Yes. I know it was earlier in the year so I just do not want to—

**The Hon. MICK VEITCH:** No, no. What happened? Was it was then taken offline and placed, I guess, in the maintenance facility? Would that be the case?

**Mr PAUL TOOLE:** That would be correct.

**The Hon. MICK VEITCH:** At that point we then put the order in for the centre pins, or did we then decide—I am just trying to work out the maintenance process. Because one was identified, did we then decide we should check the other centre pins as well?

**Mr PAUL TOOLE:** Look, I am not an engineer, Mr Veitch. But, importantly, what I am satisfied—

**The Hon. MICK VEITCH:** But you should satisfy yourself as a Minister.

**Mr PAUL TOOLE:** What I am satisfied about is the fact that appropriate actions have been undertaken to ensure that the pins have been ordered for the entire fleet. I think that is appropriate. Those cracks that have been identified in those locomotives have been removed from service. What we have also seen Transport for NSW do is have the engineers test all of the locomotives to ensure that, without waiting for the 42 days maintenance to be carried out, we are satisfied that they are going to be appropriately dealt with.

**The Hon. JOHN GRAHAM:** Minister, this is an important issue. Just tell us what happens if one of those pins fails?

**Mr PAUL TOOLE:** Look, I am no engineer.

**The Hon. JOHN GRAHAM:** It has been reported that the wheels come off at that point. Is that accurate?

**Mr PAUL TOOLE:** Look, I am no engineer, but I—

**The Hon. JOHN GRAHAM:** It is a pretty important question.

**Mr PAUL TOOLE:** Look, I am no engineer, but I can actually say to you that if there was an issue around safety—

**The Hon. JOHN GRAHAM:** Possible derailment—is that a risk here? You are the Minister.

**Mr PAUL TOOLE:** I am just going to make the point that the appropriate measures have been undertaken here through those XPTs.

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

**Mr PAUL TOOLE:** Do you know what is good about the fact that, as a government, we are actually investing in new trains across the State?

**The Hon. JOHN GRAHAM:** You are telling us appropriately about what the Government is doing. I am asking what is the risk here to the public if this pin fails?

**The Hon. MICK VEITCH:** That would have been in your brief, surely.

**The Hon. JOHN GRAHAM:** What happens? You must know that.

**Mr PAUL TOOLE:** Well no, look, I think—

**The Hon. JOHN GRAHAM:** You must know that.

**Mr PAUL TOOLE:** No, look, I think they are—

**The Hon. MICK VEITCH:** It would have been in your brief.

**Mr PAUL TOOLE:** No, the message here is this.

**The CHAIR:** One at a time.

**Mr PAUL TOOLE:** The message is they were identified and immediately the steps were undertaken by Transport for NSW to remove those locomotives from the lines. That was undertaken straightaway. We also know that the engineers inspected all the locomotives. I am satisfied that Transport for NSW is putting customer safety first; it is putting staff safety first. I think those were the appropriate steps to have been undertaken.

**The Hon. MICK VEITCH:** Minister, as I understand it, there would be an asset maintenance plan in place for the fleet, which includes the 42-day maintenance schedule. That asset maintenance plan, does it have a list of possibilities that may occur with the fleet so we can be prepared in case they do?

**Mr PAUL TOOLE:** I think when you have got a fleet that is 37 years old the team is always trying to ensure that it keeps the fleet mobile. That is exactly what it has done in the regions. I think the fact is that we are investing over a billion dollars in actually replacing the XPTs. I think that is important because that is why—

**The Hon. MICK VEITCH:** This is actually about the XPTs at the moment.

**Mr PAUL TOOLE:** We are replacing the XPTs with over a billion dollars because they are nearly 40 years old. I think it is great news that as a government—

**The Hon. MICK VEITCH:** In light of that, if I can continue on—

**Mr PAUL TOOLE:** —we have been able to do this.

**The Hon. MICK VEITCH:** If I can just continue on with that, Minister, the fleet is 37, 40 years old. Things will go wrong with these trains—that is what normally happens with ageing fleets. Do we have a supply of replacement parts for the fleet? The reason I ask this is it sounds to me like we had to wait while we got the centre pins. Is that right?

**Mr PAUL TOOLE:** Obviously when you have a fleet of this age it is actually not something that you would find everyday at a manufacturer shop. Obviously they are quite unique in relation to the types of pins or the type of maintenance work that would be required.

**The Hon. MICK VEITCH:** So we do not have the supply—

**Mr PAUL TOOLE:** But I am satisfied that Transport for NSW has actually undertaken the appropriate measures, identified it early and has ensured that we have now got the process to actually replace the pins. What we want to do is to see those XPTs out on the tracks operating again, not disrupting services. But, importantly—

**The Hon. MICK VEITCH:** Where are the pins coming from?

**Mr PAUL TOOLE:** I would have to take that on notice, unless you want to get the expert to tell you.

**The Hon. MICK VEITCH:** Okay, that is fine. You can take it on notice. That is fine, Minister.

**Mr PAUL TOOLE:** You can ask this afternoon. I will not take it on notice; you can ask them this afternoon.

**The Hon. MICK VEITCH:** Okay, that is fine. Minister, the main thing here is for the community to know the other 15 XPT engines have been assessed, the centre pins are going to be replaced—is that right?

**Mr PAUL TOOLE:** That is correct.

**The Hon. MICK VEITCH:** But we do not know when the centre pins are going to arrive to be replaced on the four that are currently out of service because of the concerns.

**Mr PAUL TOOLE:** We do know when they are going to arrive because I just—you can ask that question specifically this afternoon. They are not that far away; a couple of months away, I think, for those new pins to arrive. But, importantly, those new pins are coming and you are right: We are going to replace them irrespective. But I tell you what, I just want to see the services back out there operating again on the network. I am looking forward to also seeing the new fleet being rolled out in 2023.

**The Hon. JOHN GRAHAM:** Thank you, Minister. I just want to move on to another issue that Minister Constance assures me is your portfolio and that is the on-demand bus trials in regional areas. Firstly, I want to ask about the trial in Eden and Candelo. Can you confirm the information that is publicly available about these trials, that in the month of June 2019 in Eden and Candelo there were five trips taken as part of this trial? You do not want to disagree with that information that is publicly available from your agency, do you?

**Mr PAUL TOOLE:** Are you asking me a question in relation to it or are you giving me a statement?

**The Hon. JOHN GRAHAM:** I am asking you to confirm five trips were taken in June in Eden and Candelo—

**Mr PAUL TOOLE:** There were limited trips early in the piece, yes.

**The Hon. JOHN GRAHAM:** I am telling you it was five.

**Mr PAUL TOOLE:** Okay. I said "limited".

**The Hon. JOHN GRAHAM:** Of those five trips, can you tell us whether they were taken in Eden or Candelo?

**Mr PAUL TOOLE:** I do not have that information available here.

**The Hon. JOHN GRAHAM:** Sure, that is fine.

**Mr PAUL TOOLE:** But I can tell you this—

**The Hon. JOHN GRAHAM:** I am asking some specific questions here. Were some of those trips return trips? Catch the bus here, come back: That is two trips. Were any of these five trips in June 2019 return trips?

**Mr PAUL TOOLE:** I know that Mr Fuller is actually all over this as well but if you do not want to hear from him—

**The Hon. JOHN GRAHAM:** Yes, we will come back to that.

**Mr PAUL TOOLE:** —if you do not want to hear from him, that is fine.

**The Hon. WES FANG:** Point of order: I note the comments earlier from the Hon. Mick Veitch that while he has got the Minister this morning he would prefer not to hear from the officials at the table. However, when a question is asked by the members opposite it is up to the Minister to either answer the question or to be able to refer it to the people who have been invited here today, to the experts. If the members opposite ask a question the Minister can elect to answer it or he can seek professional advice from those there. It is not for those opposite to say that they do not want to hear from the—

**The Hon. MICK VEITCH:** It is not for you to take up our time either, Wes, which is exactly what you are doing. This Minister does not need you to run interference.

**The Hon. WES FANG:** I am not running interference.

**The Hon. MICK VEITCH:** You are running interference, Wes, and you should not be doing it.

**The CHAIR:** Order!

**The Hon. MICK VEITCH:** You should not be doing it.

**The Hon. WES FANG:** Mick, I am not running interference.

**The CHAIR:** Order!

**The Hon. WES FANG:** I am making sure that the Minister and—

**The Hon. MICK VEITCH:** Wes, you are taking up our time!

**The CHAIR:** Thank you. If we could ensure that the officials at the table keep their answers fairly short I think that they should be allowed to—

**The Hon. JOHN GRAHAM:** To the point of order—

**The Hon. SHAYNE MALLARD:** The ruling has just been made.

**The Hon. JOHN GRAHAM:** I am just going to make this point to the point of order. Chair, I am also allowed to move on when I want to move on, so I intend to exercise that.

**The CHAIR:** Yes, you are. Continue.

**The Hon. JOHN GRAHAM:** Thank you. Minister, these five trips in June in these two towns—

**Mr PAUL TOOLE:** Yes.

**The Hon. JOHN GRAHAM:** —when the bus is not being used what is it doing?

**Mr PAUL TOOLE:** That is actually a good point. On-demand services are about that first mile and that last mile. I think we have got to put this in perspective. We are trialling something very new and something that is unique in regional communities. We may have seen this happening in metropolitan areas. I make no apology for saying let's try—

**The Hon. JOHN GRAHAM:** Minister, I will draw you back to the question. I support the idea that these are trialled. I support these trials—

**Mr PAUL TOOLE:** Good. I am glad you support them.

**The Hon. JOHN GRAHAM:** I want to put that on the record.

**Mr PAUL TOOLE:** Because they are fantastic.

**The Hon. JOHN GRAHAM:** But this bus might not have been used for a week or a fortnight at a time. What is it doing? Sitting there idling? Driving around the town?

**Mr PAUL TOOLE:** In relation to the service, in some cases this could actually be a bus service that drops off kids at the local school. But what it means is when it is going back to the depot it is picking up passengers along the way. When it picks up passengers along the way—

**The Hon. JOHN GRAHAM:** Minister, I will stop you there. These two buses have taken five trips— five people.

**Mr PAUL TOOLE:** —it can drop them off at a shopping centre, it can drop them off at a connecting train station.

**The Hon. JOHN GRAHAM:** Well it is not dropping—you have got five trips; Minister, five trips in June 2019. Can you name those people? You would almost be able to name them, wouldn't you?

**Mr PAUL TOOLE:** You know what? It is sad that you are actually talking about those five people because I do not think you are actually looking at the next stage. You know—

**The Hon. JOHN GRAHAM:** We are not sure they are five different people, actually. It might be one person catching the bus a couple of times.

**Mr PAUL TOOLE:** In phase two, which actually commenced in July, there has been a significant boost in numbers. We have seen 213 users in that month alone. While you want to stick on your—

**The Hon. JOHN GRAHAM:** That is when this trial was expanded. Despite the fact five people caught it in June, it was expanded.

**Mr PAUL TOOLE:** While you want to sit on the five, it has now increased to 213. Let's name 213 people—

**The Hon. JOHN GRAHAM:** As this trial has expanded to two more towns.

**Mr PAUL TOOLE:** Let's name the 213 people who are actually benefiting from this service. It means people—

**The Hon. MICK VEITCH:** It is 213 trips, Minister, not 213 people—213 trips.

**Mr PAUL TOOLE:** It means 213 trips—but hang on, that is July. I have also got August, where it has bumped up as well to, I think, close to 500. In relation to 500 trips—

**The Hon. JOHN GRAHAM:** Minister, this is really my question, though. This is the heart of my question: These trials have been cancelled in Wetherill Park, Manly, Carlingford and Punchbowl. This is one of the worst-performing trials in the State in the transport Minister's electorate. Why has this one not been cancelled?

**Mr PAUL TOOLE:** You look at numbers, but I actually see that phase two has seen an increase in the number of users of that particular service. As you rightly agreed, you want to see them working. We are trying things differently. We are trying these as a new type of transport service in the bush. You know what? Not all of them are going to work. That is why this has been—

**The Hon. JOHN GRAHAM:** The others are cancelled when they do not work. Why wasn't this one cancelled? It flies in the face of the evidence.

**Mr PAUL TOOLE:** As you can see, they are reviewed. In this particular situation we have had 213 in July, 500 trips in the month of August—

**The Hon. JOHN GRAHAM:** The others were cancelled. This one was expanded to two new towns. Why did that happen?

**Mr PAUL TOOLE:** Importantly, let's talk about the people. You want to talk about the people. You go and talk to the people who use these services. I have spoken to people who are elderly. It ensures they can have independence, stay in their home and get to the train station.

**The Hon. JOHN GRAHAM:** Minister, have you talked—

**Mr PAUL TOOLE:** It is someone who has a family, who may not have a car at home, who can actually get to the shopping centre.

**The Hon. JOHN GRAHAM:** Have you talked to the two regular users of this service in Candelo? There are two people catching this service.

**Mr PAUL TOOLE:** Unfortunately I do not have the ability to go and talk to everybody that uses the service but I know that the service has actually been beneficial to those people who are using it.

**The Hon. JOHN GRAHAM:** Do you accept that it would have been cheaper to buy those two people a car and petrol for 12 months rather than run this trial in Candelo? That is \$304,000.

**Mr PAUL TOOLE:** I think you have to put this in perspective, Mr Graham. Those decisions are made by the department. As the Minister I am at arms-length in relation to these decisions. What we have done as a Government is provide \$20 million over three years for the On Demand bus trial services. As I said to you before, some of them will work, some of them will not work. We will review them, we will make tweaks, we will make changes and if we can make them better and actually see them succeed in areas then let us not give it up, let us make sure we give them a go to do that.

**The Hon. JOHN GRAHAM:** Minister, given this is one of the worst-performing trials in the State, will you look at this trial? Will you look at it, review it and consider cancelling it, as has been the case in Wetherill Park, Manly, Carlingford and Punchbowl?

**Mr PAUL TOOLE:** You are talking age in history because you are talking about phase one. I am talking about phase two.

**The Hon. JOHN GRAHAM:** Phase two does not sound like it is going very well.

**Mr PAUL TOOLE:** You do not think 213 trips and now 500-plus trips the next month is not actually seeing a turnaround in the way in which that is being used? I do. I actually see that there are more people being able to utilise that particular service.

**The Hon. MICK VEITCH:** Minister, I want to go back to the XPT centre pin issue. Earlier in your testimony you said that the first engine was identified earlier in the year. You could not quite pin down which month but it was earlier in the year. Minister, would it be correct to say that the first engine was identified having a problem with its centre pin in January 2018, and has been sitting in the maintenance yard at Auburn since then?

**Mr PAUL TOOLE:** I would have to get advice. I can actually ask Mr Fuller if he has that. Otherwise it is Mr Allaway who I am sure would have more information.

**The Hon. MICK VEITCH:** The reason I ask is because you also said you received a brief from the department about this issue. Was that not in the brief?

**Mr PAUL TOOLE:** It was, but I actually—

**The Hon. MICK VEITCH:** So it was in the brief?

**Mr PAUL TOOLE:** Look, I do not want to—

**The Hon. MICK VEITCH:** So you are saying that was in the brief?

**Mr PAUL TOOLE:** No, Mr Veitch, that is not what I said.

**The Hon. MICK VEITCH:** You knew that but you did not tell us earlier. Either it wasn't in the brief or it was in the brief.

**The Hon. SHAYNE MALLARD:** Let him answer the question.

**Mr PAUL TOOLE:** Mr Veitch, I asked for information when services were actually impacted upon, as I said to you previously. That is where I was informed of a number of situations.

**The Hon. MICK VEITCH:** You knew the first engine was in the maintenance facility in January 2018. You knew that?

**Mr PAUL TOOLE:** What I said to you was, earlier in the year was my understanding, and I said to you—

**The Hon. MICK VEITCH:** Earlier you said it was in your brief.

**Mr PAUL TOOLE:** My understanding, as I was actually given a brief, Mr Veitch, was in relation to the cracked pins and it came to my attention a number of weeks ago when there was—

**The Hon. MICK VEITCH:** This is important, Minister.

**The CHAIR:** One at a time.

**The Hon. MICK VEITCH:** Minister, this is important. Either you did know that the first engine was identified and was sitting in a maintenance yard at Auburn in January 2018, or you did not know.

**Mr PAUL TOOLE:** It was actually 2018—

**The Hon. MICK VEITCH:** So it was 2018?

**Mr PAUL TOOLE:** Yes. As I said to you now—

**The Hon. MICK VEITCH:** So we have known since January 2018 about these centre pins and you have only just now put an order in? Is that true, Minister, we have only just put the order in?

**Mr PAUL TOOLE:** Well, you can get all excited.

**The Hon. SHAYNE MALLARD:** Point of order: Let the Minister answer the question.

**Mr PAUL TOOLE:** I am saying to you again that—

**The Hon. MICK VEITCH:** When did we check the rest of the fleet? If we knew in January 2018, when did we check the rest of the fleet, Minister?

**Mr PAUL TOOLE:** I am happy to provide that chronology to you this afternoon as well, Mr Veitch.

**The Hon. MICK VEITCH:** So you do not know?

**Mr PAUL TOOLE:** No, Mr Veitch. As I said to you, the engineers—

**The Hon. MICK VEITCH:** In your brief there is an incoming—

**The Hon. NIALL BLAIR:** Point of order—

**The CHAIR:** Can we let him answer the question.

**Mr PAUL TOOLE:** You have asked me the question. I am going to keep explaining to you that when I saw services impacted that is where I actually had an interest to find out what was going on.

**The Hon. MICK VEITCH:** You did not know.

**Mr PAUL TOOLE:** I am satisfied that the engineers who are actually doing the work and the testing of the XPT trains had carried out the work appropriately.

**The Hon. MICK VEITCH:** You did not know.

**The CHAIR:** I want to ask you a little bit about regional trains in particular. Have you investigated or are you in the process of investigating constructing new rail services to better serve and connect regional and remote communities in New South Wales?

**Mr PAUL TOOLE:** Yes, we are. I think there are a couple of things. You would be aware that we also have a new regional rail fleet that is actually in procurement at the moment. That is an investment of over \$2 billion. That is going to see the XPT trains being replaced. It is also going to see new Endeavours and it is also going to see the Xplorers being replaced. On top of that we have a new maintenance facility that is going to be built in Dubbo. That is going to create 200 jobs during the construction phase. It is also going to create another 50 jobs ongoing once it has been constructed. Dubbo is a great place to be able to employ apprentices through that particular process.

We also have a new service which is about to start as well—Griffith all the way through to Sydney. We have a new service that is about to start very shortly as well, or an additional service from Bathurst through to Central. So we are actually increasing the capacity for train travel in the regions. On top of that as well we also know that train services cannot go to every location. But as the Minister, what I am trying to do is actually provide that connectivity to some of those outlying areas. Where we possibly can we are actually providing TrainLink coach services to be able to connect up with some of those existing train services in the local area.

**The CHAIR:** Can you give an example of the TrainLink?

**Mr PAUL TOOLE:** I am about to announce one very shortly in relation to that. It is imminent.

**The Hon. JOHN GRAHAM:** How about right now? Fire away.

**Mr PAUL TOOLE:** I can give you an exclusive, that's right.

**The CHAIR:** Are you investigating or do you have any plans to investigate restoring any of the connections to communities that have previously had their services terminated? I am looking at disused lines such as Blayney to Demondrille, the Armidale to Tenterfield line, the Casino to Murwillumbah line and the Rylstone to Mudgee line?

**Mr PAUL TOOLE:** A number of those lines that you have mentioned, there are a number of studies that are currently being undertaken in relation to those lines. I presume you mean the Blayney to Demondrille line, which is one of them.

**The CHAIR:** Yes, that is one of them.

**Mr PAUL TOOLE:** That is a particular rail line that in the past has actually had a number of different studies that have been undertaken for that particular line. What we have done in the past is looked at not the whole of the line, just looked at parts of the line in relation to is there a benefit, does the economic benefit outweigh the cost? Because, importantly, it is about trying to move freight in those regions. The new study at the moment is actually investigating the entire length of the Blayney to Demondrille line. It is also looking at a number of offshoots to that particular line as well.

In relation to Rylstone to Gulgong, there is a feasibility study that is currently underway through our Fixing Country Rail program. It is expected to be completed around February of next year. There is also a feasibility study that is actually being carried out for Merivale to Gulgong. There is about a million dollar investment that is being made into that. We also have a feasibility study that is currently being undertaken for Rylstone to Gulgong; that is another \$500,000 investment. Importantly, we are looking at seeing where there are opportunities to open up more rail across the State, especially in the regions.

**The CHAIR:** I do not think you touched on the Armidale to Tenterfield line or the Casino to Murwillumbah line. Have you got any?

**Mr PAUL TOOLE:** I do not have anything on them here today, unless Mr Allaway has any information on those particular lines, otherwise we would have to take it on notice.

**The CHAIR:** Do those feasibility studies look at preserving rail trails for the future? For instance, it may be completely sensible at this point to say that a particular service is not required, but are there plans to ensure that in the future should a train service be required that it can be put into preserving those rail trails?

**Mr PAUL TOOLE:** Primarily, rail trails actually sit under the responsibility of the Deputy Premier. For me, my role as the Minister, if there is a change to the Transport Administration Act, obviously having carriage over that there would be an interest for me as the Minister to be involved. I know that some people like rail trails and there are some people who do not. But we are also seeing some rail trails being looked at, some rail trails are under construction as well. So that is occurring in some places across the State.

**The CHAIR:** In terms of long-term planning for the rail network, how far ahead does the Government look?

**Mr PAUL TOOLE:** I think the exciting thing is the fact that as part of our planning at the moment I have to say that as the Minister I am pretty excited with the fact that having these new trains come on in regional railway means that we are going to be looking at new trains arriving by 2023. Pretty importantly, this is about creating more services and more opportunities out in the regions. But we also have our *Future Transport Strategy* document which takes us out to 2056. We are planning well in advance as to what the future of transport is going to look like in this State. We do have a transport document that actually indicates and shows that.

**The CHAIR:** Does the document that goes to 2056 plot out where we are going to require rail in the future?

**Mr PAUL TOOLE:** There is a master plan in relation to that document but it also comes down to each individual area. It does talk about increasing rail capacity, potential opportunities to continue electrification of the rail line as well out into some additional regions. Through that particular document and into those regional documents it does indicate some of that.

**The CHAIR:** Are there any plans to fix the transport connections into Byron?

**Mr PAUL TOOLE:** I am not aware of that. For that regional document I would have to take that question on notice.

**The CHAIR:** That would be good if you could. Can you talk to me about the Fixing Country Rail program? What exactly will that money be spent on?

**Mr PAUL TOOLE:** Yes. The Fixing Country Rail program is a really good one. I have seen firsthand the benefits of the Fixing Country Rail program. I have seen a number of rail loops that have been constructed in different parts of the State. It is about allowing more freight to be put onto our rail network. It is about taking trucks off our road. Some of those rail loops that have been installed in different regions can be up to 1½ kilometres to two kilometres in length.

It means that when you have passenger trains and freight trains on the same network, if there is a slower train up ahead it can pull over to the side and allow that passenger train or a faster freight train to pass as well. I have seen a number of those particular investments being made that have affected or been on the main western rail line. When you look at Fixing Country Rail, it provides targeted funding for projects to improve freight connectivity on the regional rail network. As I said, we have seen new or extended rail sidings, the opening of non-operational rail lines and enhancements to the network. It allows the use of faster, longer and heavier trains as well. There is \$400 million in total from our Restart Fund.

**The CHAIR:** Is that over four years?

**Mr PAUL TOOLE:** And to date we have actually distributed more than \$210 million to 29 projects across regional New South Wales.

**The CHAIR:** When we look at the \$73.4 million in this year's budget, that is ongoing programs?

**Mr PAUL TOOLE:** It is ongoing, yes.

**The CHAIR:** It appears from what you are saying that the program's aims are about getting freight off of—



**Mr PAUL TOOLE:** Roads, yes.

**The CHAIR:** Off roads and also stopping the freight from slowing down passenger trains. Is that right?

**Mr PAUL TOOLE:** Correct.

**The CHAIR:** I am going to move on to something slightly different. What steps are being taken to prepare regional transport infrastructure for the impacts of climate change?

**Mr PAUL TOOLE:** I would have to take that question on notice unless Mr Allaway or Mr Fuller wanted to comment further. Mr Fuller?

**Mr FULLER:** Happy to, Minister. Thank you for the question. I guess climate change is obviously something that particularly at the moment is a clear and present thinking right across Transport. I should say that I would just like to acknowledge our teams in the north that are currently dealing with the severe impact of bushfires. They are out there assisting not only RFS and emergency services but doing so while their own homes are under threat—some great work is going on. We are doing a number of things across planning and within our projects, across our services in many of the areas that Transport obviously contributes to regional communities. In our project work we have a number of initiatives, whether they be environmentally based, whether they be about reuse and recycling of materials, whether they be about ongoing longevity and shoring up the infrastructure for future—

**The CHAIR:** Yes. It is the infrastructure I am interested in—for example, ensuring that rail lines are resilient to increased heat so they do not buckle during heatwaves, any plans to ensure that the overhead wiring does not get impacted by extreme winds and other types of weather events to ensure that the transport system continues to operate.

**Mr FULLER:** Sure. Absolutely. Certainly I know that Mr Regan and Mr Wakelin-King can probably assist with this question as well. But to give you a very recent example, we have replaced over 1.7 million timber sleepers across the country rail network with either steel or concrete sleepers. Obviously that is one example where we are increasing the resilience of the infrastructure and ensuring that its ongoing longevity and also its tolerance to heat extremes and things is much better going forward in the future.

**The CHAIR:** Has the department conducted an audit of risks on the infrastructure?

**Mr FULLER:** We conduct risk assessments on our infrastructure and our activities on an ongoing basis. So it is something that we are doing.

**The CHAIR:** Presumably that does take into account the impacts of increasing global warming and extreme weather events.

**Mr FULLER:** It takes into account anything that has any potential impact on our infrastructure and on the ability to provide services—absolutely.

**The CHAIR:** Is there a staged plan in place then to address each of those climate change induced risks? For example, thinking of very basic things like on the Central Coast-Newcastle line there are areas of that line that would be submerged in extreme flooding events. Presumably there is a plan to address all of those.

**Mr FULLER:** Sure. The Minister has already spoken earlier about some of the ongoing planning that exists on the alignment between Sydney and Newcastle as part of our faster rail strategy. So certainly as part of that strategy the ongoing impacts of climate change are being well considered. Any development planning that we undertake we have, as the Minister has referred to, our Future Transport 2056 strategy document that guides us over the next nearly 40 years. There is absolutely a strategy and considerations for all of our infrastructure services. That then feeds into your regional infrastructure and services plan that is a feature of Future Transport 2056, which also has ongoing planning considerations for any element at risk and improved services and improved infrastructure over time.

**The CHAIR:** Okay. I will just stop you there because we might come back to this this afternoon.

**Mr FULLER:** Sure.

**The CHAIR:** Minister, the New South Wales Government has committed to zero emissions by 2050. Transport accounts for around 20 per cent of all greenhouse gas emissions. What are you doing to achieve net zero emissions in regional transport by that date?

**Mr PAUL TOOLE:** I might ask Mr Allaway if he can answer that question in relation to that particular target.

**Mr ALLAWAY:** What I can say around the particular target is there are a number of different initiatives that take place across regional to reduce the emission levels. From my own position for an operator if you take the new regional fleet, how that is driving, although it is diesel, is actually more efficient in the way in which it is undertaking what it does. I am conscious that on many of our stations at the moment there is a program across Transport for NSW that is looking at things like electric charging points as well across the network.

**The CHAIR:** But is there a plan in place? If we know that we need zero emissions by 2050, Transport is a large part of that. Where is the plan that has the goals, the targets and how we are going to get there?

**Mr PAUL TOOLE:** We will take it on notice and provide a response back to you.

**The CHAIR:** So there is not a plan?

**Mr PAUL TOOLE:** There is but I will take on notice to get the right information.

**The CHAIR:** That would be very useful. Can you tell me how much money has been budgeted for programs to reduce emissions in the transport sector?

**Mr PAUL TOOLE:** We will take that on notice.

**The CHAIR:** Are there any plans for the regional train network to be powered by 100 per cent renewables?

**Mr PAUL TOOLE:** I think with the way in which technology is moving I am not going to say anything is ruled out into the future because it is pretty exciting what we are seeing with electric vehicles and I think that is something that into the future trains will be a part of. So I am not going to sit here today and say to you, "No, that is something that will not be occurring," because, importantly with new technology coming online and at the rapid rate that it is, I think we are going to see a real transformation with public transport into the future.

**The CHAIR:** Is the Government just waiting for the market to get us to that target? Or are there actual plans of the Government to get us to net zero emissions?

**Mr PAUL TOOLE:** Importantly the Government has its plans towards driving down emissions and, as I said, we will provide a response back to you in relation to that. In relation to solar, we have some plans in place but I hope to announce something pretty exciting for regional trains in the very near future about the way in which they work as well. There is an announcement imminent in relation to something for regional rail.

**The CHAIR:** When will electric buses be deployed in regional areas?

**Mr PAUL TOOLE:** Electric buses are pretty exciting. They are part of the future and there is already a number of trials that are occurring. Only recently—on the weekend—I went up to Coffs Harbour and had a look at one of the electric buses that is operating there. If you talk about the electric buses and see the benefits that they are providing to those local communities, they are immense. Previously the electric bus was at the retirement village, going around the retirement village and giving people access to be able to undertake music lessons. I know of a story of 91-year-old Betty Wilson who uses that particular service to get to her ukulele lessons. When you talk about the benefit that that provides people, this is what it is about.

**The CHAIR:** It is great; it is a no-brainer.

**Mr PAUL TOOLE:** They have also got one they have moved to the botanic gardens now. They are going through the process of getting all the computer work undertaken. There is another one in Armidale that is being used around the university and now they are looking at running it around the street as well. There is a lot of programming in getting that ready.

**The CHAIR:** We all love electric buses.

**Mr PAUL TOOLE:** They are the future.

**The CHAIR:** When will they be deployed on regional areas? Is there a plan?

**Mr PAUL TOOLE:** There is testing that is still going on. I would like to see more of them being rolled out but I want to make sure that the testing is undertaken first to ensure that they are safe before we see them going into regional communities. There is also an electric ute that is going to be rolled out in Dubbo as well. Importantly, we are trying new out new things

**The Hon. MICK VEITCH:** Why not Deni?

**The CHAIR:** Electric utes have been a thing for a while in other countries.

**Mr PAUL TOOLE:** Yes.

**The CHAIR:** What are we doing here in New South Wales to ensure sufficient regional charging stations?

**Mr PAUL TOOLE:** When it comes to charging stations, in a lot of cases we are seeing private investors installing those charging stations.

**The CHAIR:** The problem with private investors is they tend to be brand specific—for instance, if you have a Tesla charging station that is not helpful for all of the people with other brands of cars. What are we doing to ensure that there are enough charging stations across regional New South Wales that are accessible for everybody, regardless of brand?

**Mr PAUL TOOLE:** At the moment, I said it has probably been something that is being driven by the private sector. We are seeing a number of those charging stations being installed in various parts. In Bathurst I have seen a number of those charging stations have already been installed near the Bathurst Visitor Information Centre. They are something that we are keeping a very close eye on. In relation to the investment that we are making, we have made a commitment of several million dollars towards the investment into our trials. There is about \$5 million for that investment.

**The CHAIR:** Okay. That is great—\$5 million.

**Mr PAUL TOOLE:** That is co-investment with the private sector as well. That will hopefully get us bigger bang for our buck out of that too.

**The CHAIR:** Do you see the Government having a role in pushing a transition to get us to net zero emissions or do you think that the Government can just rely on the market for this?

**Mr PAUL TOOLE:** I might ask Mr Staples if he can provide a little bit further information in relation to that.

**The CHAIR:** I would rather hear from you, Minister.

**Mr PAUL TOOLE:** That is fine. As I said to you previously, we have—

**The CHAIR:** Do you think the Government has a role in getting us to zero net emissions?

**Mr PAUL TOOLE:** Absolutely, the Government does have a role. The Government has an important role and setting up policy is going to ensure that we are pushing towards that target of zero emissions. The Government does have an important role to lower emissions in the State.

**The CHAIR:** But we have not seen a plan.

**Mr PAUL TOOLE:** There is a plan. You have seen with our Electric and Hybrid Vehicle Plan that is out there, which has been released, and you already know that we are running a number of trials in relation to that particular program.

**The Hon. MICK VEITCH:** Minister, you mentioned in answer to the Chair's questions that you were in Coffs Harbour on the weekend and I would like to ask some questions about the Coffs Harbour Bypass. I understand that the proposal that is now publicly available is going for consultation. What is the consultation time frame and when do we expect the bypass to be completed—the actual bypass?

**Mr PAUL TOOLE:** The Coffs Harbour Bypass is going to see the environmental impact statement. It will be released officially tomorrow. What we saw was a high-level document that has been distributed to the wider community and to those who attended our press conference on the weekend in relation to the Coffs Harbour Bypass. It will be out there for the public to provide feedback for the next six weeks. It is going to be open until 27 October for the community to provide feedback into what is being proposed.

**The Hon. MICK VEITCH:** What is the completion date of the actual project? I do not want the exact date but if you could give us a month and a year?

**Mr PAUL TOOLE:** We have said that it is a four- to five-year program. We have always articulated very clearly that that is the time frame in relation to this particular bypass for the people of Coffs Harbour.

**The Hon. MICK VEITCH:** Going to the tunnel option, will all heavy vehicles be able to use these tunnels or are we going to have to run the dangerous goods vehicles somewhere else? Will those with dangerous goods be able to use the tunnels?

**Mr PAUL TOOLE:** We would be talking to other authorities in relation to the class of dangerous goods that can go through the tunnels. We would also be talking to emergency service personnel; that is something that we have indicated. We indicated to the Federal Government that that is something we will be looking at in relation to those heavy vehicles. But I make the point that, when we talk about the Coffs Harbour Bypass, this is taking out 12,000 vehicles that go through the centre of Coffs Harbour each and every day.

**The Hon. MICK VEITCH:** Which is the line of questioning. Most communities that are bypassed, there is a mixed response as to whether it has been good for them in the long term or whether they have suffered because traffic does not go in. What is the plan? Is there a plan being developed for Coffs Harbour once the bypass is completed?

**Mr PAUL TOOLE:** We have been talking to the business chamber already. That has been happening now for a period of time and they have been quite supportive of seeing the tunnel. Let's make the point that, when you are talking about the Pacific Highway, this is about a 657-kilometre road from Hexham to the Queensland border. This is a project that has been two decades in the making and when you look at the Coffs Harbour Bypass it is the last piece of the puzzle. This is a significant investment and the people of Coffs Harbour are going to get something that they both deserve and something that is going to make a serious impact on their community.

When I was in Coffs Harbour—and for anyone who has travelled to Coffs Harbour, when you go and stand in the main street, when you see 12 sets of traffic lights for any vehicles that travel through—you can see the cars and the trucks and they are backed up all the way through the highway itself.

**The Hon. MICK VEITCH:** There is an opportunity though, you would have to admit, for this main street and what will become the former highway for Coffs Harbour. What I am hearing is there is consultation with the council and the chamber around what that will look like once the bypass is constructed. The second thing is you are talking to the relevant agencies about whether or not dangerous goods can use the tunnels, is that correct?

**Mr PAUL TOOLE:** Correct.

**The Hon. MICK VEITCH:** And the completion date is about four to five years?

**Mr PAUL TOOLE:** Correct.

**The Hon. MICK VEITCH:** Minister, with regard to the cost, what is the expected cost of the bypass now?

**Mr PAUL TOOLE:** It is expected to be around \$1.8 billion.

**The Hon. MICK VEITCH:** That is a bit up on what had been previously stated.

**Mr PAUL TOOLE:** Did you write that press release I saw yesterday?

**The Hon. MICK VEITCH:** It is a bit up on what has been previously stated.

**Mr PAUL TOOLE:** It is up from previously. Before the previous concept design was with cuttings, and that was around about the \$1.2 billion.

**The Hon. MICK VEITCH:** Going to tunnels is actually the major contributor to the increase in price?

**Mr PAUL TOOLE:** It is not the only increase in cost. Because we have been able to put in three tunnels, yes, that does come with an additional cost. But on top of that we have lowered the gradient of the road. So in some cases the road itself might be on average about 10 metres lower compared to what it was previously with the cuttings. The other important factor is that we are using low-noise pavement. That is a little bit more costly when it comes to the road—the design and the pavement there as well. A number of those factors increase the cost of the Coffs Harbour Bypass. Yes, it is important, but you only get to build these things once and you have to get them right. The people in the community of Coffs Harbour deserve this.

**The Hon. MICK VEITCH:** Will you be using a local workforce?

**Mr PAUL TOOLE:** We always go out with our tenders and we try to give the opportunity to employ locals where we can. Obviously there will be a tendering process in relation to the construction of this particular project; it is a big project. One of the nice things was that, when I made the announcement on Saturday, I made the announcement as to where one of the tunnels is going to go. When we were there one of the locals came down with some friends from around that area and they were very impressed that the Government was actually going with the tunnel option. He also told me that he actually does contract work up and down the Pacific Highway and actually finding utilities already. He is hopeful about the opportunity for getting additional work for that area.

**The Hon. JOHN GRAHAM:** Thank you, Minister. I want to move to a new issue and touch on Kangy Angy maintenance. My colleague was very polite talking about the flood issues. This facility is practically underwater some of the time; it is on flood-prone land. I want to check, are you aware of the requirement for a bridge to be built, given the land this is on, has cost at least \$50 million according to the media reports. Are you aware of that bridge that is now being built?

**Mr PAUL TOOLE:** Can I make this comment? I am responsible for about 18,000 kilometres of roads across this State.

**The Hon. MICK VEITCH:** And we expect you to drive on every one of them.

**Mr PAUL TOOLE:** Exactly. I am responsible for hundreds of road projects here in New South Wales. If you asking me about the specifics of the actual road, then I would have to say that—

**The Hon. JOHN GRAHAM:** This might be the most expensive driveway in the State.

**Mr PAUL TOOLE:** —I cannot give you that right now.

**The Hon. JOHN GRAHAM:** I just wanted to check if you are aware of the most expensive driveway in the State, that is all. Clearly not. That is alright. I want to ask you then about ports. This is an easy question, Minister—I think you and I agree on this one. In July this year your conference passed a resolution calling on the NSW Nationals to ensure the removal of all obstacles facing the Newcastle container terminal expansion plans, including the cap on the number of containers and the State Government fee. I want to check that you support that resolution of your conference, as I do.

**The Hon. SHAYNE MALLARD:** It should have been a Labor conference.

**Mr PAUL TOOLE:** It is locked doors there.

**The Hon. MICK VEITCH:** Actually it is fully open now.

**The Hon. JOHN GRAHAM:** That is a reasonable position.

**Mr PAUL TOOLE:** It is no secret that the Port of Newcastle has expressed an interest in developing a container terminal. Many farmers, particularly in the north-west of the State, can see potential for it. Ultimately, it will be a decision for the port. The port fits within the premises of Minister Constance. However, I do note that lots of political parties make motions at conferences that do not always mean they are binding.

**The Hon. JOHN GRAHAM:** I am just asking your view. Do you support that cap, that fee being removed?

**Mr PAUL TOOLE:** It is a matter for the port and I think—

**The Hon. JOHN GRAHAM:** It is not a matter for the Port; that is Government policy.

**Mr PAUL TOOLE:** As I said, it does fit under Minister Constance, who has the sole responsibility of ports. I have an interest in relation to the ports because of the regions—

**The Hon. JOHN GRAHAM:** This impacts on what it produces in the north-west of the State.

**Mr PAUL TOOLE:** —in the north of the State and our farmers as well.

**The Hon. JOHN GRAHAM:** Yes, I agree with that.

**Mr PAUL TOOLE:** Importantly, it is something that I—

**The Hon. JOHN GRAHAM:** Do you support a change of that Government policy?

**Mr PAUL TOOLE:** It is something that I sit down with Minister Constance and we have discussions about how we can support our regions.

**The Hon. JOHN GRAHAM:** And what do you say?

**Mr PAUL TOOLE:** They are our discussions.

**The Hon. JOHN GRAHAM:** Do you support change to this policy? The Deputy Premier does. Your conference does. I just want your view.

**Mr PAUL TOOLE:** We are happy to raise the views of the conference, and that is what we will do at the appropriate time.

**The Hon. JOHN GRAHAM:** So you support that policy change, as does the Deputy Premier?

**Mr PAUL TOOLE:** What I said to you is that I am happy to also put forward to Minister Constance the views of the conference that were expressed at that particular conference in July of this year.

**The Hon. JOHN GRAHAM:** I encourage you strongly to do that.

**Mr PAUL TOOLE:** Thank you.

**The Hon. JOHN GRAHAM:** I want to ask about the Muswellbrook Bypass. In the *Elections Commitments* document published in the budget it says this, "Upgrades on the following highways \$266 million to deliver the New England Highway bypass of Muswellbrook". This contains the four-year commitments that are made to these projects. Minister, I ask you to refer to the *Budget Paper No. 3*. We are looking at page 7-4. It is the last dot point on the second bottom line. Can you read out how much money is allocated in that budget paper?

**The Hon. NIALL BLAIR:** Why don't you read it? You have it there.

**The Hon. JOHN GRAHAM:** Why don't we read it together?

**Mr PAUL TOOLE:** I have it.

**The Hon. NIALL BLAIR:** All together. You have had someone in your office work out what to ask so maybe you should read it.

**The Hon. JOHN GRAHAM:** What it says is, "\$4 million, \$11 million over four years to continue planning for this bypass". One document, *Budget Paper No. 3*, says just \$4 million has been allocated, \$11 million, and this *Elections Commitments* document says \$266 million has been allocated. What is going on, Minister?

**The Hon. SHAYNE MALLARD:** It is pretty obvious.

**Mr PAUL TOOLE:** Thank you, Mr Graham. On Tuesday 3 September tenders were called for the development of the concept design and an environmental assessment for the Muswellbrook Bypass. Construction on the bypass is expected to commence in 2022 subject to approval of a final business case. The New South Wales Government, as you rightly said, has committed \$266 million towards the project—

**The Hon. JOHN GRAHAM:** Over what time?

**Mr PAUL TOOLE:** —and \$4 million has been allocated towards planning—

**The Hon. JOHN GRAHAM:** Two hundred and sixty-six million dollars over what time?

**Mr PAUL TOOLE:** —in 2019-20.

**The Hon. JOHN GRAHAM:** Two hundred and sixty-six million dollars over what time line?

**Mr PAUL TOOLE:** It is going to commence in 2022. It is part of our *Election Commitments* and it will be captured as part of that.

**The Hon. JOHN GRAHAM:** When will the \$266 million be spent? You are getting a note, Minister. I encourage you to read it.

**The Hon. SHAYNE MALLARD:** Invested.

**Mr PAUL TOOLE:** It will be part of our final budgets and it will be part of our ongoing budgets.

**The Hon. JOHN GRAHAM:** These are the four-year commitments—

**Mr PAUL TOOLE:** But you do not build a road—

**The Hon. JOHN GRAHAM:** —for all these projects.

**Mr PAUL TOOLE:** Hang on, some of these other projects are actually going to be—

**The Hon. JOHN GRAHAM:** When will this be spent?

**Mr PAUL TOOLE:** We are planning on building these roads over a number of years but you have to do the planning. You have to do the design. You have to go and get the environmental impact statements. So there is work that has to happen before you actually see construction. We also know that a lot of that money—and you might talk about \$4 million but \$4 million upfront is needed to do the planning to look at the Muswellbrook Bypass; it is at the back end of—

**The Hon. JOHN GRAHAM:** But you cannot tell us when this will be built?

**Mr PAUL TOOLE:** No, I told you that it will start in—

**The Hon. JOHN GRAHAM:** When it will finish? I am not asking about the start. I am asking about the finish.

**Mr PAUL TOOLE:** It will commence in 2022.

**The Hon. JOHN GRAHAM:** When will it finish?

**Mr PAUL TOOLE:** That will be a matter for the tenders that are received in relation to how quickly the project is undertaken.

**The Hon. JOHN GRAHAM:** It will also be a matter for the budget.

**Mr PAUL TOOLE:** It will be a matter for the budget.

**The Hon. NIALL BLAIR:** I hope it gets delayed because it is raining so much as well.

**The Hon. SHAYNE MALLARD:** Yes, the weather.

**The Hon. NIALL BLAIR:** He is not going to be pinned down for a date. There are so many variables.

**The CHAIR:** Order!

**The Hon. MICK VEITCH:** Minister, clearly you have a big workload because you have a couple of Parliamentary Secretaries here that do all of your heavy lifting and they make you look good. I have a couple of questions if you do not mind.

**Mr PAUL TOOLE:** It depends what the question is.

**The Hon. MICK VEITCH:** We will see how we go. Minister, what resources are you providing for the Parliamentary Secretaries out of your office—a desk and a chair, a computer?

**Mr PAUL TOOLE:** The Parliamentary Secretaries are in constant contact with my office. I appreciate the work they are doing in giving me advice, especially on the northern part of the State where both of them come from. It gives me another perspective.

**The Hon. MICK VEITCH:** I am asking about the resourcing, that is all.

**Mr PAUL TOOLE:** They are supported through our office if need be.

**The Hon. MICK VEITCH:** But do they have a desk and a chair, something like that?

**Mr PAUL TOOLE:** If they require they would be given one. But if you ask me specifically, "Do they have a specific chair, a specific desk, a specific pen, a specific computer"—

**The Hon. MICK VEITCH:** Yes, I am actually.

**Mr PAUL TOOLE:** —the answer is no. It is something they are supported as needed.

**The Hon. MICK VEITCH:** When they represent you, are they provided with resources from your office to undertake the travel to where they support you, represent you?

**Mr PAUL TOOLE:** They would be if that was the case.

**The Hon. MICK VEITCH:** So they are provided with resources from your office.

**Mr PAUL TOOLE:** They would be if that was the case.

**The Hon. MICK VEITCH:** Do they get an advisor to go with them?

**Mr PAUL TOOLE:** There have not been a lot of trips that they have been on at this point in time.

**The Hon. MICK VEITCH:** So they have not done much to represent you?

**Mr PAUL TOOLE:** No, what I said was they have not done a lot of trips at this point because we have been laying the foundations for the next four years. That is what you actually do.

**The Hon. MICK VEITCH:** What are they doing at the moment to support you? Have you had them go to functions? I am trying to work out what they do.

**Mr PAUL TOOLE:** I love how you ask me the question. It is hilarious you are asking me why I have two Parliamentary Secretaries. You know it is a big portfolio because you guys have got five shadow Ministers in relation to this particular portfolio. You guys know how big this portfolio is.

**The Hon. MICK VEITCH:** I am just asking about the Parliamentary Secretaries. I have the portfolio.

**Mr PAUL TOOLE:** There are five shadow Ministers just to follow Minister Constance and myself.

**The Hon. MICK VEITCH:** That's okay; I am one of them.

**The Hon. JOHN GRAHAM:** Do not be nervous.

**Mr PAUL TOOLE:** You know it is a big portfolio.

**The Hon. MICK VEITCH:** The issue I have here is if you are not using the Parliamentary Secretaries is it because you do not trust them? Or you do not think they are across their brief?

**Mr PAUL TOOLE:** These guys are fantastic and I make the point—

**The Hon. MICK VEITCH:** So are you using them?

**Mr PAUL TOOLE:** These guys are fantastic from the point of view that they will attend meetings—

**The Hon. MICK VEITCH:** Are you using them?

**Mr PAUL TOOLE:** —and functions as my representatives.

**The Hon. MICK VEITCH:** Good. Can you table their diaries?

**Mr PAUL TOOLE:** They will also be asked to—

**The Hon. MICK VEITCH:** Can you table their diaries, Minister?

**Mr PAUL TOOLE:** I will ask the Labor Party to table their diaries. How about that?

**The Hon. MICK VEITCH:** You guys never tabled yours in opposition either.

**Mr PAUL TOOLE:** Come on, you guys. Come on. Let's see—

**The Hon. MICK VEITCH:** You guys never tabled yours.

**Mr PAUL TOOLE:** Mine is tabled. Why does—

**The Hon. MICK VEITCH:** Can you table the Parliamentary Secretaries' diaries?

**Mr PAUL TOOLE:** Why don't the shadow Ministers—are you going to make the announcement to them?

**The Hon. MICK VEITCH:** Are you going to table the Parliamentary Secretaries' diaries? You are not going to do the Parliamentary Secretaries?

**Mr PAUL TOOLE:** My Parliamentary Secretaries—

**The Hon. MICK VEITCH:** So no diary? On average, do they represent you at meetings?

**Mr PAUL TOOLE:** I can tell you that Mr Bromhead has advocated for the Country Passenger Transport Infrastructure Grant Scheme. That sees millions of dollars—

**The Hon. MICK VEITCH:** But couldn't he do that as a local member?

**Mr PAUL TOOLE:** But he does that also. He took a role in leading—

**The Hon. MICK VEITCH:** I would have thought as a local member he would do it.

**Mr PAUL TOOLE:** He took a role in leading that out across the State. You might sit here and make fun of it but I say to you when that is supporting bus shelters and people who are in wheelchairs, improving accessibility, helping people who may be sight impaired—

**The Hon. JOHN GRAHAM:** Minister, I just want to move to one final topic.

**Mr PAUL TOOLE:** Hang on, you asked me the question.

**The Hon. WES FANG:** Let him answer.



**The Hon. JOHN GRAHAM:** I want to move to one final topic. Minister, we are moving on to a new topic, as we are entitled to do.

**Mr PAUL TOOLE:** You did not like the answer, obviously.

**The Hon. JOHN GRAHAM:** I did like the answer. I want to ask you about the Regional Seniors Transport Card—just a couple of questions about how this will actually work. They are quite specific questions though. Can you outline how the card will be used at petrol stations? Is it going to be used for all petrol stations or just selected petrol stations or fuel stations?

**Mr PAUL TOOLE:** Actually, first of all, let me say I am pretty excited about the fact that this Regional Seniors Transport Card is going to be rolled out to seniors in regional New South Wales. And you know—

**The Hon. JOHN GRAHAM:** We have limited time, Minister, so I am going to ask you some specifics about it.

**Mr PAUL TOOLE:** You asked me how. I will make the point. It will be used at fuel stations that are providers in regional communities. So those stations will have to sign up as a provider and then they can actually see seniors taking advantage of supporting small business and local business in the area.

**The Hon. JOHN GRAHAM:** On regional rail services, will the card continue to allow access to \$2.50 discounted fares?

**Mr PAUL TOOLE:** It is our intent to do that, yes.

**The Hon. JOHN GRAHAM:** Thank you. Will people automatically receive the card in the mail or will they have to apply for the card?

**Mr PAUL TOOLE:** Those details are still being finalised.

**The Hon. JOHN GRAHAM:** Yet to be settled. Will farmers be able to bulk buy petrol or diesel through the scheme?

**Mr PAUL TOOLE:** It is \$250, so once it starts in the calendar year of 2020 it will be up to the individuals to determine how they actually spend it.

**The Hon. JOHN GRAHAM:** So they will be?

**Mr PAUL TOOLE:** That will be their choice, yes.

**The Hon. JOHN GRAHAM:** The scheme is currently costed for two years. Once the projected \$95 million budget has been expended, if that happens before the two years does that mean it is cut off? Or will it continue?

**Mr PAUL TOOLE:** So that has actually gone through the Parliamentary Budget Office for costings. We obviously had to use some modelling that was used in Western Australia previously.

**The Hon. JOHN GRAHAM:** It was a little bit uncertain though.

**Mr PAUL TOOLE:** That was actually based on a 40 per cent take-up. Do you know what? If we use the \$90 million, I will be happy to walk back to Treasury and say, "Hey, additional money"—

**The Hon. JOHN GRAHAM:** Will you keep it going? Yes?

**Mr PAUL TOOLE:** —because I think it is going to be a great program because our people deserve it and our people need it.

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

**The CHAIR:** Just back on the topic of climate change, I am just looking at the budget estimates hearing from September 2018—over a year ago now—when my colleague Ms Faehrmann questioned your predecessor, then Minister Pavey, in relation to the plans to reduce emissions by 2050 for regional transport. At that time Ms Gardiner-Barnes, who was Deputy Secretary for Freight, Strategy and Planning in Transport for NSW, was referring to a strategy that was being developed in order to deal with the 20 per cent of emissions that are coming from the transport sector. My colleague asked a number of questions to try to ascertain whether there was a set of goals and strategies. There was reference made to something called the "future power strategy" that the department was developing. Do you know anything about that?

**Mr PAUL TOOLE:** I am not aware of the specific detail on that particular one. But I know Mr Staples could actually provide some information if you would like to hear from him.

**The CHAIR:** Sure.

**Mr STAPLES:** I was in attendance at that hearing and am certainly familiar with the statements that Ms Gardiner-Barnes made. We are still working on that strategy that she referred to at the time, but it is in the context of the broader Future Transport 2056 and the emissions target. I guess the thing to reflect on is much of the conversation we are having today has just been about the supply side of the issue. For us, it is about a holistic approach to reducing transport usage or getting more public transport usage where the overall demands on the system are reduced as well. So that strategy is still being worked on, but there is a broader policy setting for it.

**The CHAIR:** A survey released today showed that the number of people in Australia who are concerned about climate change has increased again: 81 per cent of people are concerned about climate-related events and there is, I think it is fair to say, a perception in the community broadly that there is a lack of action from governments in relation to tackling climate change, both the mitigation aspects and adaptation. Minister, are you concerned about climate change?

**Mr PAUL TOOLE:** I think everybody has a role to play when it comes to climate change. Whether they be governments or whether they be individuals, everybody has a part to play. Mr Staples outlined that we are working on an additional document here at the moment in relation to that, and I think the survey probably shows what I thought people would be thinking today as well.

**The CHAIR:** But today we are over a year from when we last heard the department was working on a strategy. Given the level of concern in the community, what assurance could you give people that your department is actually taking this seriously?

**Mr PAUL TOOLE:** We are taking this seriously and I am sure, as Mr Staples has already indicated, that will be forthcoming in the future as well. So I look forward to seeing that document.

**The CHAIR:** Do we have a timeline for having that document, given the urgency of the situation?

**Mr PAUL TOOLE:** I would have to ask Mr Staples in relation to that.

**Mr STAPLES:** I would have to take it on notice.

**The CHAIR:** Thank you. What are you doing to shift people from private car use to public transport in regional areas?

**The Hon. WES FANG:** On-time buses.

**Mr PAUL TOOLE:** On demand. On-demand buses.

**The Hon. MICK VEITCH:** You have got to get it right. If you are going to interject, you have got to get it right, Wes.

**The Hon. JOHN GRAHAM:** Throw it away, Wes. Throw it away.

**Mr PAUL TOOLE:** We are doing a hell of a lot in relation to this space at the moment. If I could just point out a couple of things. If we are looking at on-demand buses—and I do not want to re-prosecute the importance of that—that is one way of actually supporting people in our communities.

**The Hon. JOHN GRAHAM:** Very wise.

**Mr PAUL TOOLE:** The other thing is we announced as part of an election commitment that we would actually provide TrainLink services to 34 isolated communities across the State. So we have a lot of communities that may be outlying some of those large regional centres. What we have actually done is we are providing—and we just started the consultation only last month, going out to the communities to talk about how they would like that coach service to operate in their local community. So what days would they like it to run? What times would they like it to run? What are their main centres that they would like it to go to? So we can, first of all, get people connected to some of these larger regional centres but, importantly, also get people to actually be able to stay within their homes and continue to have independence.

That is critical and we have actually said that people in those 44 isolated communities, they have never seen public transport in their communities before. So when we are talking about getting people out of their cars, this is exactly what we are enabling and trying to do. We have regional growth buses. So when we see some of those town runs that we have seen in the past, we have a number of regional communities that have actually grown

in population and have seen new suburbs pop up as well. So what we are actually doing is working with those bus operators to actually—and we said in the election we would go out to 10 regional communities to provide additional bus services in those areas.

We have actually now pushed that to another five, so we are going to be looking at 15 communities for more bus services. They are in places like Wagga, Tweed Heads, Dubbo, Nowra, Coffs, Queanbeyan, Lismore, Albury, Griffith, Armidale, Tamworth, Port Macquarie, Orange and Grafton. And we are going to start with Wagga and Tweed Heads. So already with public transport we are trying to actually change the focus and get more people excited about these new trials that we are trying in the bush.

**The CHAIR:** That is encouraging. What about vehicle sharing in regional towns?

**Mr PAUL TOOLE:** I think there is a place for it. But I have to say that vehicle sharing is probably still something that we would have to educate the community on and bring the community along with us. I think we do not want to tackle too many things at once and not have anything working. I think it is about getting each piece of the puzzle correct along the way. I already know that when you talked about some regional centres people are already ridesharing with one another anyway. So it is already occurring naturally in a number of our communities. That is something, as we go forward, we can introduce further.

**The Hon. NIALL BLAIR:** And support our cabbies.

**Mr PAUL TOOLE:** That is right.

**The CHAIR:** Last year in estimates, again, Ms Gardiner-Barnes referred to how the Government was trying to encourage people across New South Wales to share their vehicles whenever they can. Do you know what she was referring to?

**Mr PAUL TOOLE:** Look, I was not here—unless Mr Staples could recall maybe what she was mentioning at the time? I could ask.

**The CHAIR:** Is that something that the department is currently doing, or from what you are saying it is not something that is a focus at the moment?

**Mr STAPLES:** Our focus is very much around trying to give people more choices in their travel. It is fair to say that probably 90 per cent of trips in regional New South Wales are made by private vehicle and that weighs pretty heavily on us as, say, the transport provider. With Mr Fuller and Mr Allaway, we are very focused around, as the new regional fleet comes into line, what new service offers we can provide with that. We are also focused around that local bus service offer and new coach linkages. There is a lot going in there to provide opportunities for people not to use their private vehicle. I guess as a subset of that, what Ms Gardiner-Barnes would have been indicating is that in some places maybe we still are not able to deliver that sort of service. Maybe with appropriate sharing opportunities in the future—we do not have a deep policy position on that—largely the sharing is through point to point types of arrangements with taxis and Uber-style vehicles, which are a regulated market.

**The CHAIR:** Do you think that the percentage of people using cars in regional areas is expected to increase as we see higher temperatures in regional areas?

**Mr STAPLES:** I do not think I have seen anything specifically related to temperature. I think we are really tackling it more from the direction of how can we give customers and the communities of New South Wales more choice in how they want to travel around. But the choice of a private vehicle will clearly remain for a long time; what we are endeavouring to do is give them more choices.

**Mr PAUL TOOLE:** On top of that as well, I was talking about those great buses and I was talking about on demand. I was talking about those trials in isolated communities but we have also got 13 coach services that are actually linking up some of our large regional centres. We have got places like Tamworth and Port Macquarie where we are seeing new regional coach services operating for the first time. A number of them are actually early in their trial phases but it is actually exactly what you are pointing to—about trying to get people out of cars, trying to get people to actually use public transport. I say that some of them will be successful; some of them we will have to review. We have reviewed a number of them already but some of them are actually going quite successfully, so it is pretty exciting times.

**The CHAIR:** We are facing a couple of different challenges there. Obviously getting people out of vehicles and onto public transport is one of the goals, but also as we experience hotter weather we find that people who would otherwise walk or cycle short distances, particularly the elderly and people who are unwell, find it very hard so they take to using cars more. You have that competing tension there.

**Mr PAUL TOOLE:** Yes.

**The CHAIR:** Has consideration been given within the department to that—extra shelters and making sure that people have somewhere cool?

**Mr STAPLES:** Absolutely insofar as we are looking at the whole local integrated service offer in a different way. Between taxi providers, community transport, our own local bus services and the on-demand trials we see the opportunity to re-present the way that customers can use public transport in the years ahead. That will also include local infrastructure of the type you are talking about where we think it is appropriate and where we get that feedback. We are trying to do this more in an engaged way with the community where we go and talk to them about the sort of issues that they are seeing today and will see in the years, and we are trying to adapt the services in response to that feedback.

**The CHAIR:** I have a quick question on freight. What percentage of freight now travels by rail?

**Mr PAUL TOOLE:** I will just see if I have that information here for you. We are expecting freight to grow so I can tell you that it is going to grow by about 28 per cent between 2016 and 2036. The volume of freight moving on roads is set to increase by nearly 90 per cent between now and 2056. In relation to rail, I do not have that information there so I will have to take that on notice.

**The CHAIR:** If you could, that would be really good—and how it compares to last year. I think it was about 18 per cent last year so it would be good to see if that is increasing or decreasing. Can you tell me how many stations in the New South Wales trains network operate regularly without staff?

**Mr PAUL TOOLE:** No. I do not know if Mr Allaway has that information; otherwise, we will have to take it on notice. We will take it on notice.

**The CHAIR:** Thank you. What percentage of regional trains no longer have guards in addition to drivers?

**Mr PAUL TOOLE:** Percentage-wise I would probably have to take that on notice as well.

**Mr STAPLES:** Sorry, Minister. I might get Mr Allaway to answer that, I think, because we can be pretty specific and clear on it.

**Mr ALLAWAY:** Currently at the moment all of our trains operate with drivers and guards within the intercity area or onboard crew within a regional space. We have not reduced any guards.

**The CHAIR:** Are there plans to reduce staffing on trains with the Intercity Fleet?

**Mr ALLAWAY:** No. Every single one of our fleet that will be introduced on the new fleet will have a driver and guard onboard for revenue services.

**Mr STAPLES:** In the session with Minister Constance or in the afternoon session I think we talked through some of the details of the operating model, as we refer to it, and it involves having a driver as well as a second person on the train in a guard's compartment.

**The CHAIR:** Okay. Thank you. That is all I have.

**The Hon. WES FANG:** You are not going to ask about drainage on the M1?

**The CHAIR:** Not this time.

**The Hon. JOHN GRAHAM:** Minister, on a range of these issues you have said, "Look, that's Minister Constance's area." Could you just describe for us in your own words: Where is the line between you and Minister Constance? What are you dealing with? What is he dealing with?

**Mr PAUL TOOLE:** Primarily the definition of "regional" is actually the definition used for Restart NSW. Primarily, to sum that up, it means that "metropolitan" is actually Sydney, Newcastle, Wollongong.

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

**Mr PAUL TOOLE:** The Blue Mountains and the local government areas [LGAs] start in that area.

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

**Mr PAUL TOOLE:** Outside of that is considered regional.

**The Hon. MICK VEITCH:** Just a couple of quick questions.

**Mr PAUL TOOLE:** Sure.

**The Hon. MICK VEITCH:** One is that I was out at Menindee last week and I was asked this question: The Pooncarie to Menindee Road, that final strip, when will that be completed?

**Mr PAUL TOOLE:** Yes. Look, I will probably have to take that on notice at the moment.

**The Hon. MICK VEITCH:** I am happy for you to take that on notice. That is fine. It is just that they want to know.

**Mr PAUL TOOLE:** Sure.

**The Hon. MICK VEITCH:** Last night, as you would be aware, the Dubbo City Council resolved not to support the River Street bridge. What is the way forward for the Government from here without the council's support?

**Mr PAUL TOOLE:** Can I just say that it is very disappointing. I mean, when you are talking about \$195 million being invested in five road projects across Dubbo, about building a better Dubbo, and then to hear that resolution last night was actually very disappointing. I always know that when you are looking at projects like this—and these are major projects—there are always going to be opinions from people who like it versus those who actually do not like it.

**The Hon. MICK VEITCH:** Are you going to engage with the council now to work out a way forward?

**Mr PAUL TOOLE:** I have actually got a meeting next week with the mayor anyway, so that is taking place.

**The Hon. MICK VEITCH:** Okay.

**Mr PAUL TOOLE:** But I do note too that this has been out for the community to provide feedback. I think we had something like 900 submissions. We also know that when we chose River Street there were actually six options that were on the table before the River Street view was actually decided.

**The Hon. MICK VEITCH:** But you are going to meet with the mayor. That is the main thing.

**Mr PAUL TOOLE:** Yes. Look, I met with Mr Ian Bailey, who was the former council engineer, who is actually is a supporter of this projects saying, "Hang on, this is about flood-proofing the community."

**The Hon. MICK VEITCH:** Okay. I will catch up later on.

**Mr PAUL TOOLE:** This is about congestion that we are seeing in Dubbo as the moment too.

**The Hon. JOHN GRAHAM:** Also in Dubbo, Minister, I just want to give you the opportunity to comment on the location of the rail maintenance facility. It is a 924-kilometre round trip. It is a single line to Dubbo, a double line to Goulburn, one train a day going to Dubbo, 95 per cent of the current country fleet running through Goulburn. Do you want to comment on why this was placed in Dubbo and not Goulburn? I just want to know—

**The Hon. MICK VEITCH:** Or Bathurst.

**The Hon. JOHN GRAHAM:** Or Bathurst? Are there any comments you want to place on the record?

**Mr PAUL TOOLE:** Well, you know, as the local member I would always to see things happening in my own backyard, but—

**The Hon. JOHN GRAHAM:** But you lost this one?

**Mr PAUL TOOLE:** But why not Dubbo? It is the end point for the rail line in that area. Also we have the new rail maintenance facility that will be constructed.

**The Hon. JOHN GRAHAM:** So you are satisfied that Dubbo in the end was the right choice?

**Mr PAUL TOOLE:** This actually went through a proper process in determining the location for the maintenance facility. There are other parts that you mentioned—two other places. There were other parts of the State where the rail maintenance facility—

**The Hon. JOHN GRAHAM:** Yes. You are satisfied with that process?

**Mr PAUL TOOLE:** I think it is the end point for the rail network and it is important why it is being located there.

**The Hon. JOHN GRAHAM:** Thank you. I have a question for Mr Gulaptis. As the Parliamentary Secretary, do you have a formal written agreement with the Minister regarding the allocation of your responsibilities?

**Mr CHRISTOPHER GULAPTIS:** Yes, I do. I have a charter letter.

**The Hon. JOHN GRAHAM:** Thank you. Would you be prepared to table that for the Committee so that we can understand your duties?

**Mr CHRISTOPHER GULAPTIS:** Look, I do have that letter with me and I will take that on notice.

**The Hon. MICK VEITCH:** Just table it.

**Mr CHRISTOPHER GULAPTIS:** I will take that on notice.

**The Hon. JOHN GRAHAM:** You brought it along. Surely you can—you brought it all the way here.

**Mr CHRISTOPHER GULAPTIS:** I did.

**The Hon. SHAYNE MALLARD:** He carries it close to his heart.

**The Hon. JOHN GRAHAM:** It is warm in the pocket. Will you table it?

**Mr CHRISTOPHER GULAPTIS:** I said I will take that on notice. I have seen the way that this meeting has progressed and I think I would rather take it on notice.

**The Hon. JOHN GRAHAM:** Well, if you change your mind. **Mr Bromhead, you also have a written agreement?**

**Mr STEPHEN BROMHEAD:** Yes, I do.

**The Hon. JOHN GRAHAM:** Would you be prepared to table yours?

**Mr STEPHEN BROMHEAD:** I will take it on notice.

**The Hon. JOHN GRAHAM:** Very wise.

**The Hon. NIALL BLAIR:** They are well trained.

**The Hon. MICK VEITCH:** Minister, in the last brief moments, the Gobbagombalin Bridge in Wagga Wagga, or the duplication of that bridge—I know the Hon. Wes Fang will be interested in this—where are your agencies at the moment with that project? Is it going to go ahead?

**Mr PAUL TOOLE:** If you allow Mr Roy Wakelin-King to actually—

**The Hon. MICK VEITCH:** Look, okay.

**Mr PAUL TOOLE:** Oh, you will? Okay.

**The Hon. MICK VEITCH:** Probably because you cannot say it.

**Mr PAUL TOOLE:** Yes, well. Some of our roads are a tongue twister, don't you worry.

**Mr WAKELIN-KING:** We are looking at the Wagga road network study. Part of that is picking up key parts of that particular bridge and—

**The Hon. MICK VEITCH:** Gobbagombalin.

**Mr WAKELIN-KING:** Yes. The "Gobba" bridge, we refer to it as.

**The Hon. MICK VEITCH:** Yes, the "Gobba" bridge.

**Mr WAKELIN-KING:** We are looking particularly at intersections north and south of that to assist in capacity for that bridge.

**Mr PAUL TOOLE:** I have got you on the record, too. There you go.

**The CHAIR:** We are out of time. Thank you, Minister, Mr Bromhead and Mr Gulaptis for attending the hearing. We are finished with your questioning. The Committee will now break for lunch and we will return at 2.00 p.m. for further questioning of government officers.

**(The Minister for Regional Transport and Roads withdrew.)**

(The Parliamentary Secretary for Regional Transport and the Parliamentary Secretary for Regional Roads withdrew.)

(Luncheon adjournment)

**The CHAIR:** Thank you all for coming back for the afternoon session.

**The Hon. MICK VEITCH:** Just so you know, this is the part that I actually like in the new model. I think this is a good way of doing things. Welcome to this afternoon. I just want to go back to some of the questions I asked the Minister this morning, which I flagged that I would do. My first question would be—and some of these, you may need to take on notice—which of the timber bridges on our State roads has had a weight or load limit applied to it the longest at this point in time?

**Mr STAPLES:** I will refer to Mr Wakelin-King. Just to explain, if we could, for just 30 seconds—

**The Hon. MICK VEITCH:** Yes, okay.

**Mr STAPLES:** So Mr Fuller, as deputy secretary, looks after for me essentially the outer metropolitan area of Wollongong and Newcastle as well as regional New South Wales in terms of the day-to-day service delivery of all transport. Underneath Mr Fuller is Mr Wakelin-King, who is largely focused on the road network. Mr Allaway is largely focused on the rail service delivery in that area. Mr Regan is deputy secretary for Infrastructure and Place and he is responsible for delivery of projects broadly across the State, including the Greater Sydney area as well. Just to understand who they are.

**The Hon. MICK VEITCH:** Okay.

**Mr STAPLES:** So I guess given you were asking about bridges and regional New South Wales roads, I will refer this to Mr Wakelin-King. If you are unsure of who to ask, I am happy to sort of just channel today and help give you as quick a direction as possible.

**Mr WAKELIN-KING:** Thanks, Mr Secretary. In terms of which bridge has had the longest load restrictions, I would have to take that one on notice and come back to you. Obviously when a bridge is having challenges in terms of its capacity—

**The Hon. MICK VEITCH:** Its integrity.

**Mr WAKELIN-KING:** The integrity of the bridge? We do inspect our bridges frequently. We do manage the bridges. That could range from putting speed limits in place. It could be in terms of load restrictions. It could be a number of strategies that we put in place and obviously we look to invest in and maintain our bridges. If I may, there were a number of aspects to that in terms of the programs that we are delivering with respect to bridge improvement within New South Wales, which were touched on this morning. They were the Fixing Country Bridges and the Bridges for the Bush programs, which go towards addressing the challenge of particularly the timber truss bridge issues that we have right around regional New South Wales.

**The Hon. MICK VEITCH:** I am looking at the workforce we have currently in the RMS to do this work and whether there are issues around the age of the existing workforce and also looking at not succession planning but replacement capacity because of the skills that are required, which are pretty specific to a dying trade, essentially.

**Mr WAKELIN-KING:** There is, as you identify, a unique set of skills around our timber truss bridges that we own and indeed councils also own and manage as well. We have in place, I am pleased to advise, a training regime that we did and have established under our conservation management plan more broadly. That has been going for about five years now and we will continue to implement the program. It is managed in partnership with TAFE; it is an adjunct to a TAFE program and delivered by TAFE but under our auspice, if you like. We have trained about 50 people so far—not only ourselves but also we work closely with organisations in the local government sector, as well as IPWEA and other organisations. Sometimes we have other roads authorities like the Nationals Parks and Wildlife Service, who may have some of these bridges in State forests.

We run the course out of Newcastle in November each year and we have got about 50 people trained so far across the State. Obviously people come and go in our organisation but we have roughly got about at least 30 to 40 people who are trained and qualified. In terms of your question around succession, we focus a lot of that at new entrants and apprentices to ensure that those skills are coming into the organisation, and also upskilling existing staff. The other thing, if I may add, is that we have got carpentry skills in our workforce and we look to use those where we can on bridges, but we recognise that there is the bespoke nature of the skill set for our timber truss bridge assets.



**The Hon. MICK VEITCH:** So what is the timetable for the replacement of those timber bridges or structures? How long will it take to replace all the timber bridges, for instance?

**Mr WAKELIN-KING:** First of all, we do not need to replace all of them. A critically key feature that you are probably well aware of in terms of our timber truss bridge asset fleet, if you like, across the State, is that a number of them are heritage listed. Some have State significance and some are heritage of interest. So we have been working with the Heritage Council and the Office of Environment and Heritage to develop a timber truss bridge strategy. What we have agreed on, and has been endorsed by the Heritage Council, is a formal strategy that we are now responsible for implementing, which recognises and retains 26 of our most highly valuable—from a heritage perspective—timber truss bridges. And so we have an obligation to bring them back up to the standard as close as possible to their original build. And also in that strategy we then remove and replace those that are not identified in that heritage plan.

The Bridges for the Bush program, which is over \$400 million, is replacing a number of those bridges. A couple of examples are Sportsmans Creek up near Grafton. That has just recently been completed and the old bridge demolished. Also Tabulam Bridge is another one that is currently in flight at the moment. We have got a number of those bridges underway. In terms of the Fixing Country Bridges—sorry, I should say that the Bridges for the Bush are State-owned asset; the Fixing Country Bridges program is for locally-owned assets. The IPWEA report on timber truss bridges within local government identifies 417 that it believes are in poor and very poor condition as a priority of replacement. That is the intent or the priority of the Fixing Country Bridges program, which is that \$500 million that the New South Wales Government announced recently.

**The Hon. MICK VEITCH:** You were talking about bridges that have a sort of historical or cultural significance. How many have been placed on the register or have been listed?

**Mr WAKELIN-KING:** There are 26 that we have responsibility for in the timber truss bridge area that we will retain. We also have other bridges that are not necessarily timber truss. In fact, they are steel trusses or old centre-span lifts—for example, one of the key ones is down at the Murray River crossing. We have 32 bridges across and a lot of those that are heritage-related. We have just recently upgraded and completed the rebuilding of Barham Bridge's centre lift span. That is a 100-year-old bridge. So there are a number of not only timber truss bridges but also steel truss bridges that we are looking after from a heritage perspective.

**The Hon. MICK VEITCH:** There is a beautiful old bridge across the Murrumbidgee River at Gundagai, the Prince Albert Bridge. Unfortunately it is not your responsibility so I cannot ask you any questions about it, but it is one flood away from falling over.

**The Hon. JOHN GRAHAM:** I just want to turn back to that 15,000 kilometre road commitment. I am not sure who wants to answer. Mr Staples? First, we were told at the end of July that the independent expert panel would be announced and that "the members of this panel will be announced soon". The Minister told us today that it would be by the end of the year. Is there any reason for that delay or the fact that we are looking to it at the end of the year now?

**Mr STAPLES:** No particular reason, other than to say that we do recognise this is actually going to be a pretty extensive process to go through.

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

**Mr STAPLES:** So I think just making sure that we have selected the right technical expertise to sit on the panel, that we sort of work through the criteria and we have some engagement with key stakeholders, particularly councils, as you talked about this morning, that will have concerns. I think all up our focus is at the end of this process that we have got more surety around the quality of the road network—from safety features through to maintenance going forward. I think some of the concerns you raised were around ongoing work for councils, which will clearly be areas of concern for us as well. We are not naive to that. We have strong relationships with councils. They do work for us on a regular basis and we work really closely. I think the reason it is taking a while is just recognising the scale—15,000 kilometres of road is a lot.

**The Hon. JOHN GRAHAM:** Yes, it is very significant.

**Mr STAPLES:** There are a substantial number of stakeholders and councils out there. So it is just getting that detail right.

**The Hon. MICK VEITCH:** Do you think it could be more than 15,000 kilometres, Mr Staples?

**Mr STAPLES:** I think at this stage there is probably less focus on the quantum, or we are just highlighting that it is a large number. Let us start the process. There will be a degree of learning as we go through



this. We will step in and do a round of assessments. We are not going to try and assess everything at once. Clearly my expectation of the panel will be that it will look at some sample types, test the criteria against that and see how that process goes as it works through.

**The Hon. JOHN GRAHAM:** Any more guidance you want to give us about that timing question? Will it be interim steps or will it just be a panel appointed as the next step?

**Mr STAPLES:** Look, I would have thought when we provide some details around the panel that we will give a bit more of an outline of the approach that we will be taking from there as well.

**The Hon. JOHN GRAHAM:** How big a panel are you thinking of at the moment?

**Mr STAPLES:** I am not sure whether any of the other members here have a view on it but I have not actually had a speculation on the number.

**Mr FULLER:** I think that that is something that we will continue to work with the Minister's office on. There has been a number of suitably qualified people who have been, I suppose, considered in the mix. As the Minister said this morning, he wants to make sure there is a good cross-section.

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

**Mr FULLER:** We know from the last experience that it took a number of years to kind of review and consider how you would go about it, the process, and then three years to implement. It was quite an extensive review the last time around. We want to make sure that we have the right people at the table.

**The Hon. JOHN GRAHAM:** How big is 15,000 kilometres as a proportion of the road network? I have seen one report that councils control 166,000 kilometres of 185,000 kilometres in the road network. That is around 90 per cent. I assume that is across the State, though, not just in regional areas. How much of the council-owned road network is 15,000 kilometres?

**Mr STAPLES:** I will ask Mr Wakelin-King whether he has some more detail on that but certainly there is no doubt the councils themselves own the bulk of the road network in kilometre distance.

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

**Mr STAPLES:** Not necessarily maintained or the same quality as the State roads and so forth.

**The Hon. JOHN GRAHAM:** Understood. I think they would agree with you.

**Mr STAPLES:** I will ask Mr Wakelin-King if he has any numbers on that; otherwise, we will take it on notice.

**Mr WAKELIN-KING:** There are approximately 200,000 kilometres of road within the New South Wales area. The approximate figures are about 18,000 within the State road network.

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

**Mr WAKELIN-KING:** There is about an equivalent amount—a little bit less in terms of regional roads—and then the residual are local roads. They are the three broad classifications under the Roads Act, if I may.

**The Hon. JOHN GRAHAM:** How much of that is in regional New South Wales as opposed to being a regional road?

**Mr WAKELIN-KING:** In terms of regional roads, which is between a State and a local road, the predominance of that is in regional New South Wales in accordance with the Restart classification of what regional New South Wales is.

**The Hon. JOHN GRAHAM:** I will be happy to take a bit more on notice but I would just be interested to know of the 15,000—how much of the roads in regional New South Wales as defined by Restart NSW will this 15,000 kilometres transfer?

**Mr WAKELIN-KING:** It is the vast majority but I can take it on notice and give you some more specific figures around that. But it is definitely the vast majority.

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

**Mr STAPLES:** I think one thing that Mr Wakelin-King highlights is that even with those roads that come under State control, you can expect the councils will continue to do work on our behalf in some areas.

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

**Mr STAPLES:** But they still have a substantial workload—residual in terms of existing local roads as well.

**The Hon. JOHN GRAHAM:** Will the transfer be permanent or will it, like the timber bridges transfer, be for a nominal 30 years?

**Mr STAPLES:** We have not had any discussions around that matter at this stage. I think we will wait until the panel is established and we can look at that more closely.

**The Hon. MICK VEITCH:** Is that something the panel will be asked to look at, Mr Staples?

**Mr STAPLES:** We have not given consideration around that at the moment. We have not been given any direction. Bear in mind that it is a government policy decision to undertake.

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

**Mr STAPLES:** We have not been given any parameters around time.

**The Hon. JOHN GRAHAM:** We started talking to the Minister about what the criteria are for this because councils' criteria include that they want to get rid of the roads that are of most concern to them—the ones they have just struggled to really have the money to maintain or upgrade. What will be the criteria for what sorts of roads will be selected? Can you give us any guidance about what the early agency thinking is?

**Mr STAPLES:** I think we want to make sure we have got the panel in place first and then have a conversation.

**The Hon. JOHN GRAHAM:** Yes, so obviously you will take their advice.

**Mr STAPLES:** Yes.

**The Hon. JOHN GRAHAM:** But is there any early thinking about the criteria?

**Mr STAPLES:** No, not at this stage.

**The Hon. JOHN GRAHAM:** Okay.

**The Hon. MICK VEITCH:** I want to go back to the centre pin issue with the XPTs. Once it was identified that there was an issue with the centre pin on the first locomotive, did the agency seek additional funding? Knowing that you had to put in an order for these pins and they had to be essentially forged, did they just put in a supplementation request from government for additional funding to assist with this or are you doing this within existing dollars?

**Mr STAPLES:** Look, I really appreciate the opportunity to talk a little bit further around this just to provide a bit more structure. For us, it is not a funding issue. Once the issue with the pins was identified the big technical issue, as an engineer, was actually how to source the replacement pin. These trains, as you know, are very old—much-loved by our customers and have been for many decades—but they are reaching end of life. They are not off a long-run supply chain where they have been manufactured around the world for years. These parts are not sitting on shelves. We have actually had to go and try to work out where we could get these manufactured. The thing that has taken us time is that we did actually attempt to engage with a supplier last year after we first identified this issue and in the end concluded that we could not be confident about the quality that we would receive out of that supplier.

**The Hon. MICK VEITCH:** Was it an Australian supplier?

**Mr STAPLES:** Yes, it was. We have now identified an alternative Australian supplier out of Brisbane that has actually given us the confidence that they can deliver to the specifications for this. In fact, we actually have a couple of the pins onsite. We are just doing some validation now of the new replacement pins at the maintenance facility. We are going through a validation process now to make sure that they have been manufactured to the expectations we had—all the tolerances are correct and everything along those lines. The thing that has resulted in—

**The Hon. MICK VEITCH:** They are on their way, though.

**Mr STAPLES:** Yes. They are on the way. We will replace all of them. It is the time taken to identify the appropriate manufacturer, to get comfortable around the quality we will receive, which has created the gap in the process in terms of maintenance at this stage, and that is why we have actually had to remove a few of the trains. If we had been able to do that more quickly, we may have been able to avoid that.

**The Hon. MICK VEITCH:** Mr Staples, I want to move on to another matter that I did not raise with the Minister this morning because we ran out of time. It is essentially to do with contamination at RMS depots. Has there been an assessment conducted of the RMS depots for PFAS contamination in the first instance and other contaminations in the second instance?

**Mr STAPLES:** I might hand that one to Mr Wakelin-King, who has responsibility obviously for the workforce and depots in regional New South Wales.

**Mr WAKELIN-KING:** Thank you, Mr Secretary. We are doing an audit of all our depots quite literally as we speak not only in terms of what their current condition is but also future upgrades of those depots, and also for suitability for current staffing and where we might be looking for that staffing into the future. Obviously we are aligning our property strategy with our future staffing needs. Every depot that we upgrade obviously we look at in terms of any issues, including contamination. I will need to come back to you specifically in relation to PFAS. But obviously some of these depots are very old. There would be some contaminants onsite, depending on the location. We have also upgraded a number of depots. Wagga Wagga is a good example. In that process we have dealt with any environmental issues on the way through.

**The Hon. MICK VEITCH:** Does the department maintain an asbestos register?

**Mr WAKELIN-KING:** I believe it should, yes, but I will need to confirm that. But, yes, it should.

**The Hon. MICK VEITCH:** Yes, I think you should. My question in relation to asbestos is: Has there been any asbestos identified in the structures at the RMS depots?

**Mr WAKELIN-KING:** If I may, a number of the depots are quite old and have been around for some time so there would be some material that may have asbestos in them, but it depends. We would have asbestos management plans in place for those and making sure that we are dealing with them accordingly—cordoning them off from staff et cetera. But given the age of the depots there may be a risk of some of them having asbestos in them.

**The Hon. MICK VEITCH:** And loose fuel asbestos in some of the depots that are in a colder climate?

**Mr WAKELIN-KING:** I would need to take that on notice.

**The Hon. MICK VEITCH:** I would appreciate it if you would do that.

**The Hon. JOHN GRAHAM:** In the brief amount of time we have, I might ask about—returning to that set of questions about the regional fleet replacement program—the selection of Dubbo as the rail maintenance facility. What was the final cost-benefit ratio for that decision?

**Mr STAPLES:** For the actual decision around the depot itself?

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

**Mr STAPLES:** The overall business case for the procurement of the fleet would have had within that a subset around the depot and whether there was a specific benefit cost to that element of it. I would have to have a look at that.

**The Hon. JOHN GRAHAM:** Yes. That is okay.

**Mr STAPLES:** Certainly we would have released a summary, I think, around the business case as an overall but I am not sure that it will break down to the individual.

**The Hon. JOHN GRAHAM:** But they are discrete decisions. I am happy for you to take it on notice, but if you are able to come back with a view about what the benefit-cost ratio was for that particular decision.

**Mr STAPLES:** Yes. I am not sure whether we will have a specific BCR as you would normally see for a total project, but I am happy to take that on notice and see what we can provide in relation to that.

**The Hon. MICK VEITCH:** I have a couple of localised questions. You may or may not know but I live in Tumut. I have a question about the Gocup Road and Snowy Mountains Highway intersection in Tumut. Recently there was yet another accident there. The locals are quite concerned. What happens is they come off the Gocup Road, people are travelling at a pretty fair speed because they think it is a State Road. They then come around a bend, they get to the intersection with the Snowy Mountains Highway—another State road—and they have got to give way. They actually think the give way would be the other way because of the road they are on and they tend to belt through the intersection. There have been a number of accidents at that intersection. What work is being done within the agency to start looking at rehabilitating that intersection?

**Mr STAPLES:** I am not personally familiar with that one. I certainly know the Tumut area but I do not know that particular intersection. Obviously any road safety issue is a concern for us. I might ask Mr Wakelin-King whether he has any specific knowledge of that location.

**Mr WAKELIN-KING:** Thank you, Mr Secretary. Not on the specific intersection per se, although anywhere where there is a series of accidents happening anywhere on our network does drive a process around looking at that from a safety review point of view. I will take the specifics of the intersection on notice. However, I would also like to add that, as you are probably aware, we have just completed the upgrade of Gocup Road from Gundagai into Tumut itself.

**The Hon. MICK VEITCH:** Is it completed?

**Mr WAKELIN-KING:** It is complete. There might be some minor landscaping issues.

**The Hon. MICK VEITCH:** There is a little bit more to be done, but it is close.

**Mr WAKELIN-KING:** Yes. It certainly officially opened last week. There might be some minor contractual clean-up issues. So that makes a big difference, particularly getting timber trucks into the busy mill there just near Tumut, as you know. That has been a great upgrade from a safety point of view and a network reliability point of view. On the specifics of that intersection, I will get the team to have a look at it and we will come back to you.

**The Hon. MICK VEITCH:** Yes, please. As the Hon. Wes Fang would know, there is a lot of localised issue about this intersection. It has been a problem for a while.

**Mr STAPLES:** It would be fair to say that across the State between the NSW Centre for Road Safety and Mr Wakelin-King's team we are actively watching the accident statistics and identifying areas of risk and regular accident incidents to prioritise our program. However, we will have a look at that.

**The Hon. MICK VEITCH:** Thank you. I will move on to—and this is really for Rural Roads—but grids and gates on State roads, particularly those that have been installed and maintained to an acceptable standard on public roads. This is more an issue for the Far West of the State. I have been told by a local council that it received some drought support money and thought it would start replacing the grids on the roads. Subsequently it was pulled up because of the history of how these things come about. They are not just on council roads; they are on State roads as well. What work is the department doing about replacing these grids—often cattle grids or "ramps" as they are sometimes referred to? What is the process for replacing them and how many do we have on State and regional roads?

**Mr STAPLES:** I might hand that one to Mr Wakelin-King and see whether he has got any knowledge of it.

**The Hon. MICK VEITCH:** That is very good, Mr Staples.

**Mr WAKELIN-KING:** In terms of the actual number of grids I would definitely have to take that on notice. As a general rule grids are quite an old technology in controlling cattle. We tend to not replace them. We look to other technologies in terms of controlling cattle. It also does have some safety implications, particularly when travelling at speed. You will see that we put reduce speed signs on approach to those locations. We are working with local councils and, indeed, local farmers around when those things may be replaced or may be upgraded or repaired, because obviously they get damaged as well.

**The Hon. MICK VEITCH:** The history is they used to be gates.

**Mr WAKELIN-KING:** Yes.

**The Hon. MICK VEITCH:** And people used to stop and open the gate. As vehicles got faster we took the gates out and we put the grids in. There is a suggestion that they may actually still be owned by the farmer rather than the State because if you go back into history they actually were gates, not grids.

**Mr WAKELIN-KING:** The actual farmers—depending on where the grid is, who owns the grid—maybe responsible for the grid themselves. It depends on where it is and who owns it. It is not necessarily a one size fits all. But in terms of the number, I will come back to you.

**The Hon. MICK VEITCH:** The other part of the question then is if any of the farmers or local landholders are responsible, how far either side of the grid are they also responsible for? Because it will not just be the grid, is my understanding. If you could take that on notice and find out that—

**Mr WAKELIN-KING:** I will. However, as a general principle there is a road reserve and then there is the private land outside of the road reserve. Once again, the specifics around it will vary from grid to grid. A lot of them also align with creeks and other natural features. On the specifics I am happy to take that on notice.

**The Hon. JOHN GRAHAM:** Mr Staples, I am going to firstly return to the question around the costings relating to the replacing country bridges program and then I have some other issues. I am going to hand up a couple of documents that might assist this discussion, which are just the PBO election policy costings that I believe have driven the Treasury commitments in the budget. There are two costings there. I am referring firstly to the replacing country bridges costings, if you have got that one in front of you. In the budget this is a \$25.5 million commitment and it is part of a \$500 million total commitment for the Fixing Country Bridges program.

You can see here that there are two sorts of costs: There is the capital expenditure—actually fixing the bridges—but then there is also in this election policy costing some expenses that really relate to the fact that you have then got to maintain the bridges once you have fixed them. There is also depreciation—put that aside for the minute. The policy commitment was for \$25 million—that was to fix the bridges. Then in the first year the expenses—the cost of then maintaining bridges—was \$500,000, half a million dollars. Over the page you can see in the second part of that a policy costing. It is actually spelt out over time. This looks at the nominal 30-year allocation of these bridges.

What you can see are two things. The capital expenditure, spelt out—a lot of it is in the back years, not surprisingly; that is often how these things are done—but the total is \$500 million. That was the commitment. On top of that is the operation and maintenance money and that ramps up rapidly from \$500,000, half a million dollars this year to \$2½ million to \$4½ million to \$7 million to \$10 million—rapidly increasing, unsurprisingly. The budget has allocated the \$25.5 million. What I want to confirm with you is that figure, I assume, incorporates both the capital expenditure and also this operational expenditure—that is, it includes fixing the bridge and maintaining the bridge. Can you shed any light on that?

**Mr STAPLES:** As in does this policy costing include that or what does our budget actually have at the moment? I am sorry, I am just trying to—

**The Hon. JOHN GRAHAM:** You can see the policy costing is \$25½ million.

**Mr STAPLES:** Yes.

**The Hon. JOHN GRAHAM:** And that includes fixing the bridge and maintaining the bridge. The budget has \$25½ million; I assume that includes fixing the bridge and maintaining the bridge. That bit is not the bit I am worried about, by the way, just to give you some reassurance.

**Mr STAPLES:** So if I look at the assumptions down the bottom it talks about ongoing maintenance costs and depreciation being included.

**The Hon. JOHN GRAHAM:** Yes. So it is really the ongoing maintenance. The reason I am concerned is that the budget says \$25.5 million as part of a \$500 million total commitment. So that \$500 million in the budget, unlike the \$25.5 million, is not repairing and maintaining because that number would be higher. The \$500 million total commitment is just for repairing. If you look over the page, the total cost of repairing and maintaining will add up to about \$524½ million, I think you will find the number is. Has this commitment been cut in the budget? That is really my concern, when you look at that.

**Mr STAPLES:** I would not expect that would have been any cut to the commitment. It is just a question of how we may have ended up deciding to fund those relative parts. I think the best thing is for us to take that on notice and provide you with clarity on that.

**The Hon. JOHN GRAHAM:** Yes. I would be happy for you to take it on notice. If it is possible to come back I would appreciate it but otherwise take it on notice.

**Mr STAPLES:** Sure.

**The Hon. JOHN GRAHAM:** The concern is that appropriately there is money for both elements of this—the capex and the opex—but I want to be assured that the commitment the Government took to the election that \$500 million would be spent repairing country bridges, not repairing and maintaining country bridges, is going to be spent over the five years. Because on the face of it that is not what the budget says. If you are able to shed any light one way or the other that would be helpful.

**Mr STAPLES:** We have been given really clear direction to get on and get going with repairing and fixing these bridges so we will get on with that.

**The Hon. JOHN GRAHAM:** I just want to know that Treasury has been as well.

**Mr STAPLES:** Yes. We are happy to take that on notice.

**The Hon. JOHN GRAHAM:** I am sure you do too.

**The Hon. MICK VEITCH:** We are here to help, Mr Staples.

**The Hon. JOHN GRAHAM:** Just to check everyone has got the message. Secondly, if you can turn to repairing local roads, the bridges policy commitment essentially states, "These are actually going to be done in a very similar way by the Government and the agencies." It actually states, "The process to transfer bridges will be done in a similar way to the reclassification of roads or be treated as a non-cash grant from councils to the State." We are here over on the roads now. They are similar processes and that makes sense. This does not include any money for maintenance or any money for ongoing operations. This costing does not include any depreciation. The policy costing is up-front about that so that is not a surprise. It states, "Costs for maintaining any reclassified roads have not been included." There is no problem with that. What is a surprise is that there is nothing in the budget about that and I would have thought there should be. These are similar processes. For one the money is there, calculated and costed in the budget for maintenance. For the other there is simply no accounting for it. Where are we up to on this?

**Mr STAPLES:** I think the difference here is that replacing country bridges is partly targeted towards assets that the State owns whereas repairing local roads is actually assigned towards council roads and hence the accounting treatment. I am happy to turn to Mr Wakelin-King to clarify this as well. As a result of that, they are not classified as capital when we pay the grant to council because it is not a State asset, it is a council asset. So the numbers you are seeing in the top line as expense are for the council because we pay the money to council and it then becomes their asset. There is an accounting nuance in this that has potentially been the difference. I will ask Mr Wakelin-King to provide anything more on that.

**Mr WAKELIN-KING:** Thanks, Mr Secretary. As the secretary stated, Fixing Local Roads will be a grant to councils to fix, as the name suggests, local roads under their ownership and it is designed to—

**The Hon. JOHN GRAHAM:** I agree with that. What I am actually asking about is the transfer of up to 15,000 kilometres of roads from councils to the State. I agree with what you have said but about a different program. When it comes to the roads that go from council to the State, what you are now stating will not apply. These will now be in State hands for some period—it might be 30 years or it might be in perpetuity.

**Mr STAPLES:** Once we go through that transfer process we will deal with the budgetary impacts of that at that stage.

**The Hon. JOHN GRAHAM:** So it simply has not been calculated now?

**Mr STAPLES:** No. That is because essentially we are not second-guessing what the timing and the outcome of that transition is. This is on the premise that the assets stay in councils. Some of these will not go on to regional roads. Some of these will go into really local roads as well.

**The Hon. JOHN GRAHAM:** Yes. That makes sense. Because you do not have a panel, you do not have a criteria yet.

**Mr STAPLES:** The current oversight of the roads is the councils. The money has to be expensed to the council. We cannot capitalise it.

**The Hon. MICK VEITCH:** As an opex?

**Mr STAPLES:** As an opex payment, yes, that is right.

**The Hon. JOHN GRAHAM:** But you do agree that when the 15,000 kilometres of roads are transferred there will be a maintenance cost, there will be depreciation in the same way that there is on repairing country bridges?

**Mr STAPLES:** Certainly there will be costs.

**The Hon. JOHN GRAHAM:** For what it is—

**Mr STAPLES:** The way it is accounted it would be fair to say it is probably not for the head of Transport to make comment on. I am a mere engineer.

**The Hon. JOHN GRAHAM:** I am happy to accept that is yet to come but who is going to pay for this down the track? The State is going to pay for the maintenance of these roads.



**The Hon. NIALL BLAIR:** We may already pay for it. We just get councils to do it.

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

**Mr STAPLES:** It would be fair to say that we provide grants to councils already. Obviously we will look at the quantum of those and whether that is appropriate going forward or whether we need to top that up. We will go through the usual budgetary process in the years ahead to accommodate that as required. But it is not like there is—

**The Hon. JOHN GRAHAM:** When do you expect to have some idea of that cost?

**Mr STAPLES:** We will work that through as we come up with a prioritisation of roads that are to be transitioned. But I make the point it is not like there is no money being spent on these roads at the moment by the State at all.

**The Hon. JOHN GRAHAM:** Exactly. I agree with that.

**Mr STAPLES:** In fact there is a substantial amount that goes in. It may be accounted for in a different way once we actually transfer the control, ownership and oversight of it in terms of capital versus expense and those sorts of things.

**The Hon. JOHN GRAHAM:** One of the issues with repairing these roads, whether the State takes control or whether the council is doing it, is that it is very hard to do the roadwork given the drought, given the water that is required for some of this repair work. If this slows down, will that \$500 million that has been allocated continue to flow if this is a bit slower than expected because we simply do not know how long the drought will—

**Mr STAPLES:** My experience in dealing with both the regional workforce and maintenance crew as well as councils is that they are pretty innovative in working out how to make the most of the resources they have got. I accept the point that there may be some types of work that are more limited in what you can do because of things such as drought but I would expect that everyone will turn their attention to how they can make the best use of that money and get on and spend it.

**The Hon. MICK VEITCH:** Mr Staples, I want to go back to some of the questions regarding Kangy Angy. There has been public media that the bridge cost \$50 million. Is that correct? Is that close to the mark?

**Mr STAPLES:** It is part of a broader contract so I do not have a specific figure around the bridge. It is good to call the bridge out because it is an important part of the work in terms of providing access for locals and basically providing them with more flood-proof access into their local area. There has been a lot of engagement with the local community. It would be fair to say I am aware that there are a number of concerns from local community groups in that area around some of the impacts of that. We will continue to work with them as closely as we can to try to mitigate and manage those as much as possible.

**The Hon. MICK VEITCH:** Are we able to work out how much the bridge has cost, Mr Staples? Is that possible?

**Mr STAPLES:** It would be difficult to do because it would have been part of an overall tendered price and we would not necessarily have got a separate breakdown for the bridge. It would be part of an overall bundle.

**The Hon. MICK VEITCH:** Once Kangy Angy is up and running are there any proposals to redeploy the workforce from, say, Eveleigh to Kangy Angy?

**Mr STAPLES:** I would have to take that on notice in terms of the specifics but certainly I can ask Mr Regan whether he has any knowledge on that because he is involved in the procurement of the fleet. But obviously as we transition from one fleet type to another we will take approaches in terms of resource management around that. I would expect that there will be some changes in workforce in different locations as a result.

**Mr REGAN:** I could add to that. The arrangements that have been put in place for that new Intercity fleet also include maintenance to be undertaken at that facility. That maintenance is to be undertaken by the consortium that is supplying the trains. They supply the trains and then they maintain the trains. The maintenance facility itself is being separately delivered under a different contract. I am not aware of the employment arrangements but they will be undertaken by that consortium as distinct from the current arrangements at Eveleigh.

**The Hon. MICK VEITCH:** Did the State buy the parcel of land that is being used?

**Mr WAKELIN-KING:** Yes, I believe that is the case.

**The Hon. MICK VEITCH:** Are you able to reveal what we paid?

**Mr WAKELIN-KING:** I do not have that information at hand.

**Mr STAPLES:** We will take that on notice and see what we can provide.

**The Hon. MICK VEITCH:** That would be good, thanks. Prior to the purchase were there independent evaluations of the site to determine what it was worth?

**Mr STAPLES:** I do not have the detail of the process that was followed for that. Typically we would run through a process of evaluation and so forth but—

**The Hon. MICK VEITCH:** Normally as a part of the process you would obtain a valuation?

**Mr STAPLES:** Yes.

**The Hon. MICK VEITCH:** Would those valuations be available for the Committee?

**Mr STAPLES:** I am happy to take on notice your question about the value and also what process we followed to determine that.

**The Hon. MICK VEITCH:** On a completely separate matter, I have some questions around the status of the attenuator at Port of Eden. It was due to be completed, as I understand it, in the first part of this year. Has it been completed and, if not, when will it be completed?

**Mr STAPLES:** I am happy to check with Mr Fuller as to whether he has any detail on that. Otherwise, it might be something that I have to take on notice because I do not have much knowledge of that one myself.

**Mr FULLER:** The specific detail we might take on notice but I know that we are working very closely with the Department of Primary Industries [DPI] in terms of the coastal infrastructure management which sits in their area. We have been working closely with them but I think we should take further detail on notice.

**The Hon. MICK VEITCH:** There was an asset maintenance program back in September prepared for Sydney Trains which included a part of a fleet, the country train fleet, is that correct?

**Mr STAPLES:** To explain to you the way we look after and operate our train network, we have Sydney Trains as a train operator. They essentially run the train network as far as near the Hawkesbury River out to Penrith and down to Waterfall and then NSW TrainLink runs the trains that go beyond that. In terms of the way the assets are maintained, Sydney Trains maintain all of the fleet. They basically provide a service to NSW TrainLink for maintaining that fleet. They also maintain the assets as far as the electric network largely extends, which is down towards Wollongong, up towards Newcastle and so forth, and then beyond that it is then maintained either by Australian Rail Track Corporation or by our country rail network contractor for the smaller lines.

In terms of the asset management plan you are referring to, Sydney Trains would have an asset management plan for their Sydney network and they would also have an asset management plan for the track infrastructure in those areas that they look after, which is not the whole TrainLink asset base but certainly the electrified part of the network.

**The Hon. JOHN GRAHAM:** Can I return to where I was? Sorry to jump around a bit here but you are doing very well. Can I return to the Dubbo questions that I had started on beforehand. First up, I want to give you the opportunity to put on the record any views about the selection of Dubbo as a site for the rail maintenance facility. It has been debated in the community. Do you want to put on the record the agency's—

**The Hon. NIALL BLAIR:** Point of order: Are you asking for views on a decision or facts?

**The Hon. JOHN GRAHAM:** I am asking for the public policy rationale for that site being selected.

**The Hon. NIALL BLAIR:** I thought you had asked for the secretary's view on the decision that had been made to locate it there rather than the facts around and the merits of the site.

**The Hon. JOHN GRAHAM:** I am giving him the opportunity to advocate the merits of the site.

**The Hon. NIALL BLAIR:** Now that has been clarified I withdraw my point of order.

**The CHAIR:** Thank you.

**Mr STAPLES:** I do not personally have that at hand. The planning approval process and the environmental assessment would certainly summarise the rationale for why we have chosen that location. There will be something pretty good on the public record from that.



**The Hon. JOHN GRAHAM:** Yes, but it has attracted attention because probably the key objection has been the amount of dead running that might be involved in maintaining trains out of Dubbo. Have you got anything specific you would like to say on that issue?

**Mr STAPLES:** I am happy to get Mr Allaway to provide you with a bit of an overview from an operational point of view because you will get polarising views often around this, it would be fair to say.

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

**Mr STAPLES:** I am a little bit more of a middle-of-the-road sort of person on this. There are pros and cons of different locations. Historically, we have had the XPT facility down here in the middle of Sydney, which is really good in terms of train starting off in the morning but then as soon as we are out of the regional areas it is quite disadvantageous. Because Sydney gets very congested, when we have issues in Sydney it is very hard to get in and out of the facility. Strategically, there are some really good reasons why being out regionally—if you think about where you would want to be in New South Wales, the centre of New South Wales is actually pretty logical in terms of just geographically positioning you.

It is at the end of a line, which operationally makes a lot of sense as well. When trains do terminate there you can cycle through in your operating patterns so that you are not doing enormous amounts of dead running because you are using the cycle of the train movements over time. There will be a degree, without a doubt, but no matter where you are located—including in the middle of Sydney—you will have that.

**The Hon. JOHN GRAHAM:** But there is more dead running on that site, isn't there? It makes sense that you are running trains more often through, for example, at Goulburn than you would be through at Dubbo.

**Mr STAPLES:** Maybe under the existing operating patterns that we have today. When you start to reimagine what we can do in the years ahead then you may find that having it at Dubbo becomes more advantageous. You start to think about cross-regional services rather than everything being centred around Sydney CBD.

**The Hon. JOHN GRAHAM:** How different will those services be though? We are aiming to purchase 117 carriages, just slightly more than the existing fleet. There is not going to be a big transformation, is there, in the level of services or the routes, given that what we are looking at doing is maintaining our existing fleet and replacing it rather than some big transformation? Is that fair?

**Mr STAPLES:** Yes, it is a fair point if you look at it just within that context. But if you start thinking about what might emerge with some of the faster rail initiatives and so forth, what might occur in terms of a particular corridor having some additional infrastructure investment and maybe a new dedicated fleet for that, what that immediately does is create an opportunity to redeploy some fleets. When we step back and look at the constituent parts of investment going in different areas, we see opportunities. I certainly do not want to speculate on what those service offers might be at the moment, other than to say that in Future Transport 2056 we have been pretty open about the desire to have more region-to-region type servicing. We are trying that with coaches, which are a bit more flexible and rapid to deploy. But we would like to think in the years ahead that we can do that more with rail as well.

**The Hon. JOHN GRAHAM:** If you did do that with rail would it require more than 117 carriages?

**Mr STAPLES:** It depends. Not necessarily—we would work through different options for that. As I said, it might be that it is off the back of a faster rail investment at some point and we are able to make the most of that.

**The Hon. JOHN GRAHAM:** How fast do these trains run?

**Mr STAPLES:** Are you are talking about the new diesel fleet?

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

**Mr STAPLES:** I might actually ask Mr Allaway if he has got the specifics on the maximum speed. I must admit I do not have that one on hand.

**Mr ALLAWAY:** My understanding is that they will do 160 kilometres per hour.

**The Hon. JOHN GRAHAM:** Yes—which, if you are talking faster rail, is still really quite slow. How does that compare to the XPT?

**Mr ALLAWAY:** It is probably comparable actually.

**The Hon. JOHN GRAHAM:** Yes. So it is comparable to the XPT, certainly slower than a very fast train and probably slower than you might hope for a faster rail service. Is that a fair comment?

**Mr ALLAWAY:** As Mr Staples pointed out, there is a number of different other moving parts within the network. Having a new train that can do that is good. Track condition is the other one. There is a number of temporary speed restrictions, for instance, at the moment within the network. If you look at faster rail in its context, if you are able to look further and start ironing out some of the kinks that are in the line, get the line speeds up overall, you get a much faster journey.

**The Hon. JOHN GRAHAM:** But if we iron out those kinks, one of the things that might slow this down is the fact that we are buying a train that goes up to about the same speed as an XPT—up 160—not up to 200, which is really what you would be hoping to push up to if you are looking at faster rail. Is that a fair comment? We are not talking very fast here.

**The Hon. NIALL BLAIR:** There is a lot of kinks.

**Mr STAPLES:** If we had the joy of a flat New South Wales, you could well be right. As I indicated at our last session, one of the great beauties of Sydney is that it is within this geographic bowl, but the great challenge from an engineering in transport point of view is that to get out of it is a bit of a nightmare. We have had many engineering careers built off the fact that we have had to build these massive projects. I do not think speed of train is the big constraint here. It is more around managing the alignments.

**The Hon. JOHN GRAHAM:** You agree though, it is a constraint. There is a lot of factors but it is a constraint?

**Mr STAPLES:** There are not a lot of areas on the network where we get the opportunity to go at that sort of speed anyway is the point. That is not to say that in the future some of the faster rail initiatives would not involve the purchase of new fleets specific to a corridor where we thought speeds higher could be achieved in due course.

**The Hon. JOHN GRAHAM:** One of the reasons I ask is that the Premier has been up-front about her view; she is a convert to faster rail. She says in the next term of government she would like to see faster rail. That does not sound like the sort of future that you are describing though, given the constraints on the system.

**The Hon. NIALL BLAIR:** That is not what he said.

**Mr STAPLES:** I think you might be bringing two things together which are actually separate.

**The Hon. JOHN GRAHAM:** It would not be the first time.

**Mr STAPLES:** We have a replacement of an XPT fleet. Essentially, we are replacing a fleet that has done a fantastic job over the last 35 years or so but has necessarily reached a point where, for the maintenance issues we have talked about as well as for a modern customer experience, we want to take a step forward in generation across New South Wales that will deliver lot of benefits. The faster rail initiative, as we talked about this morning, we have four corridors Mr Fuller went through with some very specific focus. We have got an independent person from the United Kingdom doing some assessment for us, working across government. Out of that will be some recommendations on things we might do in terms of infrastructure improvement but he may also recommend a particular fleet for those corridors. That would then give the opportunity to go at faster speeds.

**The Hon. JOHN GRAHAM:** If you are happy I will ask about the three other aspects of this and then hand over. As we transition to this new regional fleet, there is a commitment that local content will be driven in Dubbo. Have you got any sense of what local content will be delivered in Dubbo? The comparison here is with Victoria, which is doing 70 per cent locally. Is there any sense of what this might mean for Dubbo?

**Mr STAPLES:** It is very much around the fact that the facility is there. The day-to-day maintenance of the trains will be done on site. That is an opportunity obviously for local employment in that location. There is the local supply chain that will feed in and around that. There are requirements in the contract for apprenticeships and other things as well to really build that capability locally rather than trying to import that in. That is part of our participation process that we have within the contract.

**The Hon. JOHN GRAHAM:** But it is more on the maintenance side that you are expecting that to deliver?

**Mr STAPLES:** I think we have been pretty up-front that the priority for us is actually the employment opportunity over the long term to be a part of this train in the years ahead as it goes through its day-to-day operation more so than the delivery.

**The Hon. JOHN GRAHAM:** Is it correct that at the moment the XPT trains are still running with sleeper carriages?

**Mr STAPLES:** Yes, it is.

**The Hon. JOHN GRAHAM:** Will you guarantee they will continue under the new train arrangements?

**Mr STAPLES:** Actually we will not be having sleeper carriages in the new trains. I am happy for Mr Allaway to give you a little more about the customer views that we have around that if you would like?

**The Hon. JOHN GRAHAM:** Yes, thank you.

**Mr ALLAWAY:** Just on that particular point, we have undertaken customer engagement when we were going through the procurement process and worked with communities around what would be priorities and what would not. Comfort comes up an awful lot, particularly on longer-distance services. The new fleet themselves will have two different classes and a reduction, particularly in the premium economy class they will have a one by two seating arrangement. Comfort and the ability to be able to relax or recline in those seats was seen as important. The other thing that was very compelling with it as well was obviously sleeper cars take up an amount of room and that is much lower in the capacity. If you can offer more comfort in the new regional fleet, therefore you can have more capacity on that train. That is more of a priority that has come from our customers.

**The Hon. JOHN GRAHAM:** How many sleeper cars are there at the moment?

**Mr ALLAWAY:** I would have to take that on notice.

**The Hon. JOHN GRAHAM:** I think there may be eight.

**Mr ALLAWAY:** It is not a huge amount.

**The Hon. JOHN GRAHAM:** Yes, if you could come back on notice. When will they go? When will the last sleeper carriage run on the—

**Mr STAPLES:** I do not think we are actually at that sort of specific date at the moment. Obviously the trains are coming in over the next few years so we will progressively transition from one fleet to another.

**The Hon. JOHN GRAHAM:** Personally, I have loved riding on them. I have to say I was a lot younger and a lot shorter when I rode the sleeper carriage from Albury.

**The Hon. SHAYNE MALLARD:** Are you Tim Fischer?

**Mr STAPLES:** If anything the non-sleeper car seating has better leg room for those who might be a little bit vertically challenged. I can share that from direct experience.

**The Hon. SHAYNE MALLARD:** We get the emergency exit row.

**The Hon. JOHN GRAHAM:** The final issue in this session is, given the concerns that have been raised about dead running going into maintain at Dubbo and given the small increase in the number of carriages, will you guarantee that the same service levels will be able to be maintained across New South Wales as we move to this new fleet? I accept you might want to make some changes. But, as a minimum, we will guarantee the same amount of services will be run, taking into account those factors?

**Mr STAPLES:** Yes. I think there is a risk about the dead-running issue being overplayed. These trains do 400,000-odd kilometres a year, if not more. The dead-running component, as you referred to, would be a relatively small aspect of that. The other aspect of buying a new fleet with all the modern maintenance procedures and everything is that we get a better utilisation out of these trains—the turnaround time for getting them in and out. All these factors are shorter because we are smarter in the way we maintain trains over the years. Not just in year one but over the years ahead, we can expect to have more hours per week that the train is actually on the track. That is another element. We will push all of those things as hard as we can to get the most out. At the moment, the purchase enables us to be able to provide the same service offer we have today in terms of the number of services.

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

**The Hon. MICK VEITCH:** Will they have wi-fi?

**Mr STAPLES:** The biggest challenge with wi-fi is the coverage. It is not so much the train; the train has the capability but it is whether we can get the external feed. I do not want to sound like I am palming it off to

another department but the reality is it is just more about the coverage in regional New South Wales of telecommunications, and that is where our challenge lies at the moment.

**The Hon. MICK VEITCH:** Thank you. I will move on to something completely different. The issue around bushfire maintenance, particularly on RMS roads. This year's bushfire preparation by the department, what was done and—you might have to take this on notice—how much did we spend over the winter months getting ready for the bushfire season?

**Mr STAPLES:** I will hand to Mr Wakelin-King to talk a little bit about what they do from a road network ratings point of view. It would be fair to say we do work across government. Obviously we are not working in isolation on that; we have well-coordinated groups on the ground managing that. But I will hand to Mr Wakelin-King.

**Mr WAKELIN-KING:** We have a number of activities in hand in terms of preparing for bushfires and, indeed, keeping the road corridors clear generally. Obviously we do vegetation clearance and trimming right across our corridors. This year we have increased those activities. We are also working in terms of bushfire preparedness with our colleagues in emergency services, preparing plans right across New South Wales, particularly in the more bushfire-prone areas. This is to ensure that we are ready to deal with issues such as road closures when we have bushfires, as we have seen recently up in the north, and also to ensure our staff are ready to support emergency services with road closures in times of emergency. That is a business-as-usual approach we have given the heightened dryness as a consequence of the drought. We have been very focused in our preparations in this regard.

**The Hon. MICK VEITCH:** You will have to excuse me, but I do a bit of regional travel and—this probably will not shock you—RMS gets bagged in just about every meeting I go to about the way they prepare themselves for the bushfire season. How much do you do in consultation with the adjacent landholders?

**Mr WAKELIN-KING:** We do quite a lot in terms of just generally in the work we do with adjacent landowners, and particularly councils. As you would be well aware, councils are very well connected to their local community so we work through the local government sector. Each of our regions—we have five regions out there—and each of our regional directors and their staff are actively engaged with the local government sector and their local councils in preparation for a range of things in terms of delivery of our program and also assisting councils with their programs.

That is a general statement I would make in terms of our engagement there. That involves engagement with local landowners, businesses, other community groups specifically around bushfire and emergency services. There is emergency preparation also—although it is a bit counterintuitive. In times of flood and heavy rainfall—

**The Hon. MICK VEITCH:** We do wait for the day.

**Mr WAKELIN-KING:** Indeed. As I said, we also have a lot of engagement with emergency services and the local emergency management groups, which consult with and engage with a lot of local stakeholders including landowners in preparation for that. In terms of the specifics of the criticism, I cannot talk to that per se.

**The Hon. MICK VEITCH:** It was a general comment.

**Mr WAKELIN-KING:** I understand. But the key thing is we are very actively engaged in that space, and increasingly so, given—particularly as I indicated—the drought has contributed to a fairly fragile situation with dry bushland.

**The Hon. MICK VEITCH:** Post bushfire who is responsible for replacing the fences, for instance, along road corridors?

**Mr WAKELIN-KING:** It depends on who owns the fence; that is the first thing. If it is a local landowner—

**The Hon. MICK VEITCH:** Surely the department would have obligations under the Dividing Fences Act?

**Mr WAKELIN-KING:** I would need to take the specifics of that on notice. However, what I would say is that a lot of fencing obviously is the responsibility of the landowners, the farmers et cetera. If it is our fencing which we have owned and installed, clearly that would be our responsibility. There would be disaster funding arrangements that may be applied to local communities as a consequence of bushfires and flooding. It depends on the circumstances as to how that would be applied, and therefore what role we would have—indeed, obviously not just on our roads but local roads as well. Once again, we work with the Office of Emergency Management in

those arrangements and funding arrangements where they apply, and also obviously there are a number of insurance claims that come into this in terms of the local landowners as well.

**The Hon. MICK VEITCH:** Okay. So then after a bushfire or a flood event takes place, roads are repaired and fences are put back up, does the department engage in any post-event consultation to adjacent landholders to see, first, what was done; and, secondly, what could be done better so that you learn from the exercise?

**Mr WAKELIN-KING:** If I could say, we learn from everything that we do in terms of not only these sorts of circumstances, but also projects we deliver et cetera. So it is an important part and it is a systemic approach that we take to the work that we do generally. After every major incident, and particularly every natural disaster, there are post-event and post-incident reviews and learning. So we do that not only by ourselves but also, as I said, with the local emergency committees et cetera to see what we can do better.

**Mr STAPLES:** Some of the changes we are making within the Transport cluster more widely are aimed at trying to deal with some of that stakeholder feedback more effectively and in a more joined-up way. So the fact that Mr Fuller now has responsibility for all transport gives us a better chance to have a conversation about the whole transport network rather than just roads. So we will be seeking out and still trying to work differently with communities as we implement this new operating model.

**The Hon. MICK VEITCH:** Okay. Do you ever receive complaints about the agency's involvement in post-bushfire or flood events?

**Mr WAKELIN-KING:** We certainly have received feedback—once again, largely through the local government sector—around those sorts of incidents. It is usually very positive in terms of the responsiveness of the agency. As Mr Fuller mentioned earlier, we have a lot of people out on the ground at the moment supporting the bushfires. Indeed, I received a message yesterday from my team up north, a lot of whom have their own houses in risk areas. First and foremost, generally speaking, we do get a positive response. However, there are specific issues that are raised largely since my time in the agency around the funding arrangements—what is eligible, what is not eligible—making sure that is clear and working with the Office of Emergency Management to support councils and communities where funding is required for natural disaster recovery.

**The Hon. MICK VEITCH:** Thank you.

**Mr FULLER:** If I could just add further to what Mr Staples said, if there are any particular concerns or feedback that maybe you have access to, we would be very happy to take that on board and consider that as part of what we are doing now with our new engagement and our new operating model in the regions. It is very important, as Mr Staples said, that we use this opportunity to engage differently with communities. I think Mr Wakelin-King has now found a lot of very positive and proactive communication with local transport committees, emergency management committees and a range of others. Clearly, there are very large communities out there right across New South Wales and we would be very happy to consider if there are any new ways of working that we should be thinking about as we go forward.

**The Hon. MICK VEITCH:** Just to be clear, I am quite concerned that the agencies are prepared for the upcoming bushfire season. That is essentially what I am trying to get to—that the work has been done. Because, anecdotally, it is often conveyed to me as I travel around—and I have no doubt other members of Parliament will be hearing the same—there are criticisms of the work that is done. Now whether it is fair criticism or not, I do not know. I just want a guarantee from the agencies—

**Mr STAPLES:** I can give you an assurance that we have looked at the upcoming summer. We see it as one of the significant risks that we are trying to manage. I just also call out the great work that our people do in response once the fires happen. I know you are partly talking about avoiding the fire in the first place, but when it does happen the work crews who work very long periods of time to get roads back open and get the community moving again play a really important role.

**Mr FULLER:** The other thing that we could add is that, even though our division has only been stood up since 1 July, already we have seen, I would say, a marked difference in the approach we are taking to critical incident management more broadly. Even just a couple of weeks ago not only did we have bushfires of a significant nature in the north, but we also had an extreme weather event in the south, which led to large downfalls of snow.

**The Hon. MICK VEITCH:** I know. I was rugged up, sitting in front of a fire.

**Mr FULLER:** You would be well aware. There is a considerable need to think very carefully about how we deploy our resources across the State. One of the things that I was very encouraged by over that weekend was just the joined-up nature and the different thinking and very customer-orientated way in which our teams went about it, whether that was engaging with the ski resorts—and Mr Wakelin-King was personally on the phone to general managers of ski resorts that weekend—

**The Hon. MICK VEITCH:** I thought you were going to say Mr Wakelin-King was in the ski resorts.

**Mr FULLER:** He also spoke to landholders and property owners in the north in relation to fires. And also we need to think about how we could use our transport resources not only in the sense of dealing with the fire emergency or the snow, but also to move people about. Key examples are things like escorting our CountryLink buses through what were technically closed roads and making sure we kept people moving, particularly people who might have had some form of vulnerability.

**The Hon. MICK VEITCH:** Thank you for that. I want to move on to the next item. Last year I put in a GIPAA request—I am prone to putting in a lot of GIPAs. This was in relation to weeds and how much the agencies spend on weeds and weed control. When the GIPAA came back—again, you will have to forgive me; I am from regional New South Wales—I was a little startled to find out that we can report how much we spend on controlling ground vegetation via mowing and slashing and we can do that for control of ground vegetation via chemicals for Sydney—in north-east Sydney, western Sydney and southern Sydney—but there is no data available for the same actions on regional roads. Why is that—because you would do it, would you not? You would do the same thing on regional roads.

**Mr STAPLES:** Yes, we certainly do that.

**The Hon. JOHN GRAHAM:** And on rail lines.

**The Hon. MICK VEITCH:** Yes.

**Mr STAPLES:** It probably has got a little bit to do with the way that the organisations are set up and what is done by different organisations. So in the Sydney area we have got a contract in place. You know that that activity is outsourced. So through that outsourcing process we have improved the way that we report on those sorts of things. I am happy to hand it to Mr Wakelin-King to maybe give you a little bit more on what we are doing regionally.

**Mr WAKELIN-KING:** As you would be aware, and as I indicated earlier, we actually do quite a lot of vegetation control right along our road corridors. It is not only obviously for bushfire management and other concerns—

**The Hon. MICK VEITCH:** Yes, I am talking about weed control now.

**Mr WAKELIN-KING:** Weed control, and also we do it for safety reasons because, when it grows, it can affect line-of-sight issues. So we actually do engage in a program in respect of weed control spraying. The specifics in terms of how much and the exact amounts and locations, I will have to take on notice. But I can say that that is an area we have had a look at as a consequence of that question, and we will be looking at it a bit further.

**The Hon. MICK VEITCH:** I am glad to see my GIPAs come to some use from time to time.

**Mr WAKELIN-KING:** All feedback is important.

**The Hon. MICK VEITCH:** Yes. In all seriousness, when the drought breaks—and it will break—there will be an explosion of weeds. That is an accepted fact after every drought, and often they are weeds we have not seen before. The agency is responsible for a substantial land estate. What preparations are you putting in place to counter what will happen once it rains?

**Mr WAKELIN-KING:** There are a number of factors that we go into in preparation for increased rainfall. As a general rule, increased rainfall puts upwards pressure on our maintenance budgets because you see increased potholing and a range of situations that emerge, depending of course on how much rainfall you do get. Once again, vegetation clearance is a key part of that. It is seasonal, as you would appreciate, and we increase the frequency around the vegetation controls in the warmer months where we see significant growth and less so in the cooler and colder months, particularly out in the remote regional areas. At the moment, our focus is clearly on managing in response to the drought, but we will certainly have preparations in place when we do see increased rainfall leading to increased vegetation.

**Mr STAPLES:** Across all modes of transport we have got asset management plans down all corridors. It is not just about the physical asphalt or the steel; it is actually about the corridor as a whole. Within that there are plans there. You are highlighting that we actually need to be pretty adept and flexible to move, depending on what is going on climate wise. As soon as we get the heavy rain, we are going to have a lot of pavement issues on the road and a lot of other issues in terms of tracks we have got to deal with as well. So we adapt our resources to deal with it.

**The Hon. MICK VEITCH:** Mr Staples, you may have to defer to the others on this, but have on-the-ground employees in your agencies been instructed of their obligations under the Biosecurity Act?

**Mr STAPLES:** The Biosecurity Act?

**The Hon. MICK VEITCH:** The New South Wales Biosecurity Act 2015.

**Mr STAPLES:** I am happy to ask Mr Wakelin-King if he has got any specific details on that for his frontline workforce.

**Mr WAKELIN-KING:** We obviously train our staff in all aspects of the maintenance on the road corridor. I will need to confirm, but I understand that we have actually done specific training around weed and vegetation control. In terms of specifically in accordance with the Act, I will need to take that on notice and come back to you.

**The Hon. MICK VEITCH:** When you take that on notice, will you also take on notice what is the training regime for the employees and where you conducted that training?

**Mr WAKELIN-KING:** Certainly.

**Mr STAPLES:** In defence, I will say that we also have a range of biodiversity specialists employed in the organisation as well. They are the ones who helped to come up with the strategies on how to mitigate these sorts of things.

**The Hon. MICK VEITCH:** Yes. I was actually talking about biosecurity, Mr Staples, not biodiversity. I am glad to hear that you look at biodiversity as well.

**The Hon. NIALL BLAIR:** But they are related.

**The Hon. MICK VEITCH:** They are related.

**The Hon. NIALL BLAIR:** You cannot take care of biosecurity without understanding and acknowledging the biodiversity as well.

**The Hon. MICK VEITCH:** No, that is true.

**The Hon. NIALL BLAIR:** That is why I am sure he was bringing that in.

**The Hon. MICK VEITCH:** And just so you know, the biodiversity along this corridor is quite substantial. It is one of the reasons why they should be managed and protected.

**The Hon. NIALL BLAIR:** So is the biosecurity.

**Mr STAPLES:** I guess that is essentially what I am saying: We need to make sure that we do not transfer inadvertently.

**The Hon. JOHN GRAHAM:** Should have got a run on the park this morning.

**The Hon. MICK VEITCH:** Yes, that is right.

**The Hon. NIALL BLAIR:** I am dying for a go. It is killing me.

**The Hon. JOHN GRAHAM:** It does not show. I want to turn to another matter. When we last saw you I think I promised I would raise further the on-demand buses. I was surprised to hear the Minister say—that is, Minister Constance—that the trial in his electorate had not been raised with him verbally or in writing by the agency. We talked about that last time. I just wanted to ask you, now that you have had the benefit of having some time to reflect on that—you took that on notice—was this trial in the Minister's electorate raised with him either verbally or in writing by the agency or by any of your officers?

**Mr STAPLES:** I thought the question you put to him was about whether I had the conversation with him.

**The Hon. JOHN GRAHAM:** You answered that quite clearly.



**Mr STAPLES:** I said at the time that, no, I had not.

**The Hon. SHAYNE MALLARD:** Point of order: I take the point of order only because I am questioning the principle that you are asking questions around Minister Constance when this is Minister Toole's estimates inquiry.

**The Hon. JOHN GRAHAM:** To the point of order: I understand why the Hon. Shayne Mallard is raising it but this is a regional transport trial. We were advised, and I think correctly, that this is the place to discuss it. Obviously the agency covers both areas. I am asking about a regional transport trial and was the local member informed.

**The Hon. NIALL BLAIR:** It is in Bega.

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

**The Hon. SHAYNE MALLARD:** All right.

**The Hon. JOHN GRAHAM:** But I appreciate your asking.

**Mr STAPLES:** To my knowledge, the engagement with the Minister's office has been broadly more about the program as a whole, not about individual initiatives. We have, below Mr Fuller level and working across greater Sydney as well as regional New South Wales, a working group that oversees the decision-making around where we want to do these pilots. We are trying to be quite agile with them. We have gone out to market and asked for market feedback on where we should do this. We have assessed on a range of criteria which I think we spoke about last time in terms of the sorts of factors we took into account.

**The Hon. JOHN GRAHAM:** Just to recap on the things we agree on: Your advice last time was that you did not advise the local member, who is also the Minister for Transport and Roads. I accept that. Also, it was approved at agency level. I accept that. My question and the thing I am surprised at is that the local member, the Minister for Transport and Roads, was not advised by any of your officers or in writing. Having had the chance to reflect on that, do you have any other advice for the Committee?

**Mr STAPLES:** I do not have any information to suggest there were. I am happy to take it on notice to see whether there was any formal brief given around that, and specifically in relation to the one you are talking about. But to my knowledge, there was not.

**The Hon. JOHN GRAHAM:** The Minister launched this trial in his own electorate. It would be usual practice for a brief to be requested and a note to go up or some notes in relation to any Minister or local member doing this in their electorate.

**Mr STAPLES:** Yes, but I think there is—probably just to be really clear—a difference between going through and making a policy decision about whether to implement something versus then moving into, "We're going to announce something".

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

**Mr STAPLES:** And we are going to inform an MP about the fact that we are making an announcement around that.

**The Hon. JOHN GRAHAM:** My question to the Minister was: "Minister, has this trial been raised with you verbally or in writing by the agency?" And he said no. I am surprised by that answer. I am happy for you to take that on notice, but I just wanted to press the details of that.

**Mr STAPLES:** Yes. I will take that on notice. In terms of the overall program, I am not surprised that we have not had engagement particularly with him directly, given the nature of it and the way that it is being overseen within the organisation. We have actually been trying to give some of our smartest people the space to go and look at where these things are best applied and give them the freedom to do that on the basis of the merits. Clearly, we had engaged with stakeholders as we had gone through that but the Minister, the conversation we have had, has been more about the concept of on demand and where the opportunities lie for transport long term.

**The Hon. JOHN GRAHAM:** And the trial did not come up in his own electorate?

**Mr STAPLES:** No.

**The Hon. JOHN GRAHAM:** I encourage you to—I accept that is the case.

**Mr STAPLES:** As I said, I will do a final check internally.



**The Hon. JOHN GRAHAM:** I encourage you to check with your officers. Thank you. On that specific trial, I will not be pressing this in a whole lot of detail; I have already done so with the Minister. But is that trial first in Eden and Candelo now expanded to two other sites. That trial is still running? It has not been halted?

**Mr STAPLES:** I might hand to Mr Fuller, who has a little bit more of the on-the-ground knowledge of this particular one, thank you.

**Mr FULLER:** Thank you, Mr Secretary. Certainly, yes, the trial is still being undertaken and remains consistently and regularly under review. Perhaps if I can give you a bit of context about how we go about these because I think it is important, as Mr Staples said. We have an internal steering committee. We have some of our smartest people who are involved in that and who are helping us to work with some of the existing operators. In this case, it was an existing operator who was providing other services to us. In other cases, it could be a new operator. We had strong interest across the State that led to 63 proposals from 28 proponents and that led to these 11 trials.

As the Committee has pointed out, both today and previously, there have been mixed results across those trials. That is a real learning opportunity for us because this is really a discovery and development phase for us and how we go about creating new and different access and equity for people in regional areas to transport that they just have not had access to before. So we have had certainly some very good successes. We have had great results in a number of projects—I might talk about those in a second. But the pleasing thing about the reviews is that we sit down monthly with the operators and we have a monthly governance forum where we talk to the operator about the opportunities, what they see in terms of further opportunity to innovate where latent demand might exist and we also take on board customer feedback. It is not just the outright rural patronage data.

Pleasingly with that, those adjustments that have been made and the expansion that you have referred to, it is really good that we have reached numbers well in the mid-200s initially in July and now we are up to, I think, about 520 or 530 in August.

**The Hon. JOHN GRAHAM:** So that is the August figure.

**Mr FULLER:** With continued growth and the expectation that that will climb again in September, we will continue to reset with that operator every month. Some of the figures that have been talked about in terms of the overall contract—you know, average prices and things—what we need to remember is that what is disclosed for the public record is the full extent of the whole term of the contract. We have now signed up to 12 months worth of operation with this particular trial. Some of the cancellations that have been referred to, most of those have happened in the 12- to 24-month window. We have been very, I suppose, particular and considered to ensure that we do not just cut these off at the knees, if you like, in a quick time frame because the community really has not had the ability to understand the service and adapt, and also for us to take on board the feedback.

We go into these with the best intent. We think we know where they are going to work well but obviously, as you would appreciate, every single regional community that we are engaged in is very, very different. If I can turn to a trial that also has given us some key challenges but at the complete opposite end of the spectrum, it is in a town like Moree where in July we had over 5,000 people in that month onboard those on-demand services. Very pleasingly, it is providing a form of transport that just has not been available to some of those more isolated communities on the outskirts of town. So it is not just the low patronage that causes a few challenges for us to work through and really work closely with the operator.

**The Hon. JOHN GRAHAM:** That is where it is actually working.

**Mr FULLER:** But it is also when we are in some ways almost overwhelmed with the demand. This is a really good process that we are going through. I think over this next 12 months we will continue to learn and develop and refine these—everything from the routes that they travel, where they pick up, how they integrate with other transport services, the types of vehicles we use. One of the things that we have been really very pleased about is the overall satisfaction ratings of these on-demand services. They do get incredibly good customer feedback and they continue to perform very strongly in terms of offering people not just access but almost a premium service. People have responded very well to the fact that they are providing something that is quite a bespoke service that is giving them far greater access. Many times even if it is not door-to-door it is in very close proximity to where they reside, as opposed to some of the routed services and things that we have been able to offer in the past.

**The Hon. JOHN GRAHAM:** Good. We are obviously under a bit of time pressure trying to ask some questions, but I was pleased to be able to indicate that we strongly support the idea of trialling these things around the State. The only question has been should this trial still be running, given the results? You have given us some

new updated figures for August—520 to 530, so up again—and unlike July, I think, that did not include any fare-free days?

**Mr FULLER:** I am not sure about that. I am going to have to take that on notice.

**The Hon. JOHN GRAHAM:** Could you take that on notice? Of the two original locations—that is, Eden and Candelo—of the 520 to 530, are those locations up?

**Mr FULLER:** I would have to check the specifics. I am talking overall numbers and what has been happening since the reset. Obviously, as I pointed out, what we want to do is continue to refine the service. With some of those pre-existing services that have been running it sometimes is hard to compare like for like, because we actually start down a completely different path.

**The Hon. JOHN GRAHAM:** Yes. Because the nature of the two services that have been added are qualitatively different to the two original ones.

**Mr FULLER:** Yes, correct.

**The Hon. JOHN GRAHAM:** If you could take on notice where the trip numbers for Eden and Candelo are at for July and August, that would be helpful. These are being reviewed month to month?

**Mr FULLER:** That is right.

**The Hon. JOHN GRAHAM:** At the moment. This is still one of the lowest-performing trials, though, even on those numbers. When do you think this will come to a head? I mean, it may improve dramatically from here.

**Mr FULLER:** Sure.

**The Hon. JOHN GRAHAM:** If it does not and it stays where it is, when will this come to a head?

**Mr FULLER:** What I would say is broadly the month-to-month reviews that take place are within contract periods. So the current contract period and the extension that has been granted currently is for six months. Within that six months we will be doing a review of the services and everything from the routes and the availability of those, the frequency and whatnot. Obviously at the end of the next six months we will be undertaking a more thorough assessment about the pros and cons of this service, as we are with all of them. As I said before, generally speaking we have given them at least 12 months. In some cases—and I know there were a couple of examples referred to earlier this morning that were cancelled in the metropolitan area—those services ran a minimum 12 months but into the 18- to 24-month period.

**The Hon. JOHN GRAHAM:** But almost none of them had this few passengers. I think that is one of the things that distinguishes it.

**Mr FULLER:** Sure.

**The Hon. JOHN GRAHAM:** You would agree with that? Can you shed any light on the media reports about just two regular users of the Candelo service? Do you think that is accurate?

**Mr FULLER:** No, I would not comment on media reports.

**The Hon. JOHN GRAHAM:** That is very wise. Can I ask you about the services at Dubbo, the Central West On Demand service. I was interested in two of those particular routes—that is, Ivanhoe to Hay and Collarenebri to Narrabri. These are quite different to any of the trials that are going on elsewhere in that for most of these other places you are paying generally a very low fare for what it is then an improved service subsidised by the Government. Ivanhoe to Hay is running fortnightly every Thursday and the full fare return is \$70, so it is quite different. Similarly, Collarenebri to Narrabri is weekly every Friday. It is pretty much a set route and return, again \$70. What is the patronage like on those two routes?

**Mr FULLER:** I would have to take the patronage on notice. What you have highlighted there is one of the great challenges that we face in providing routed services—bus and coach services—in the regions in terms of providing equivalent access and equity in pricing for our regional customers. Obviously, as Mr Staples said, now that we have a regional transport division that is able to consider how all of the components of transport come together I think what you will see in the next 12 months is us reconsidering all our services—how they connect together, how we make those contribute to providing the greatest value service and, hopefully, being able to extend the number of services.

**The Hon. JOHN GRAHAM:** The numbers are not too bad for this trial overall. There are four services. The numbers are not terrible overall for this trial. However, those two routes are quite different to anywhere else. This is a large amount of money to pay for a return trip and it is pretty infrequent—once a fortnight this bus is going there and back. That is why I ask about those.

**Mr STAPLES:** Yes, I think that highlights that we do not have a firm view on how this should work at the moment.

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

**Mr STAPLES:** The fact that we are taking different approaches—and bear in mind we did not sit down in a dark corner and come up with these ideas. These things came from the operators themselves who were working in the areas thinking: Based on the customers I know and conversations they are having, we think this could be a product that people will buy into.

**The Hon. JOHN GRAHAM:** Is that how this trial came about?

**Mr STAPLES:** I would have to look at the specifics of it. Generally speaking, we have looked very much towards the operators to come up with the concepts and so forth, that, "Actually, there is something different. We can try that elsewhere. If we try that, maybe we will learn something from that that we could apply elsewhere as an approach." If anything, the fact that it is different is a real positive, from my point of view, because it is an opportunity to learn differently.

**The Hon. JOHN GRAHAM:** Yes. I mean, \$70 return seems like quite a lot. It seems like almost the price an operator would be able to run a bus over that route. What is the subsidy for those couple of routes in the design of this trial?

**Mr STAPLES:** Again, we would have to take that on notice.

**The Hon. JOHN GRAHAM:** If you could, but if you could just give us a bit of background on that trial, breaking it down between those couple of routes and the others. What is the cost of the contract? I am not aware of that. What is the extent of the subsidy? What is the view about whether this trial is succeeding or failing?

**Mr STAPLES:** Sure. One thing on the success factors that I would point out is that what we have had is very strong feedback from some of these smaller regional villages, communities and locations that even something as infrequent as fortnightly services, but particularly weekly, to a hub like Dubbo—we had a clear strategy going forward. This is based on the discussions that we have had with our communities and the customers who we obviously provide this public service for. They want to be able to travel into their regional centres. They want to be able to access the services that a place like Dubbo offers. They want to be able to make those appointments and schedule those and know that reliably they can gain access to a city such as the size of Dubbo with the health services, the retail and leisure. It is a very important component to provide that access and equity, even though sometimes we are challenged on what that might mean in terms of price, but to try and make that as available and as accessible to people as we possibly can.

**The Hon. JOHN GRAHAM:** On that note, how are you going to deal with the Moree situation you described? Are there plans to expand that trial given what you are describing as the overwhelming success?

**Mr STAPLES:** That trial, as with all of them, will be reviewed, refined and adapted month by month. We have absolutely had fantastic take-up in that community. We will definitely be looking at what is available in terms of options, working with the operator in terms of how much access we can provide to that community and whether there are other parts of the community that we have not been able to get in touch with in terms of available options.

**The Hon. MICK VEITCH:** Whilst we are talking about bus services, can I talk about the one from Broken Hill to Mildura and Broken Hill to Adelaide?

**Mr STAPLES:** Certainly.

**The Hon. MICK VEITCH:** An issue that was raised with me when I was out there last week was the \$2.50 pensioner fare. Is that still being applied to the service from Broken Hill to Adelaide?

**Mr STAPLES:** Certainly I was out at Broken Hill last year with Mr Allaway and the overwhelming feedback from the community was about their desire to have better connection to Adelaide and its location there. To the credit of TrainLink it has actually looked at this as an option. I will get Mr Allaway to talk a little bit further about that.

**The Hon. MICK VEITCH:** Well to be fair, Mr Staples, everything that happens at Broken Hill pretty much all goes to Adelaide. They go there for their services, essentially. It would be their natural geographic area to go to.

**Mr STAPLES:** It is, absolutely. That is why we are looking at how we better support that community through the sorts of services that we are doing. But Mr Allaway can explain a little bit more about the pricing, possibly.

**Mr ALLAWAY:** Yes. Number one—if you have been down there—is the difference it has actually made to those communities is just phenomenal. You are right on the \$2.50 because it goes interstate. There are particular policy requirements between each one of those States. The \$2.50 is not available for the Broken Hill to Adelaide but it is available through a legacy between Broken Hill and Mildura. What we are tending to find with those particular services, as you pointed out as well—which we are incredibly excited about—is the fact that this is giving people hospital treatments in Adelaide that they were not able to access before. If you try to take a wider government perspective as well, I know when I was down there when we were going through community engagement some of the health services were talking about remote, rural communities and how much it actually costs to be able to put someone in a taxi to go down there.

If you balance that off against now a fare, where somebody who is able-bodied and can get onto an accessibility-compliant coach, that has absolutely liberated those people's lives insofar as they can now get on a coach service. It is a lot cheaper. So if we look at it from a whole-of-government perspective, what we are doing for health and education needs is there. The other thing that I would also add in, particularly for that community in Broken Hill, of course, is the way in which we have staggered those services, both to Mildura and to Adelaide, allows something for tourism as well within Broken Hill. They have never had the opportunity before. People were either there for two hours or a week. Now we are able to offer two to three days.

We had overwhelming support from Destination NSW and local tourism providers because those coaches have actually now allowed people to be able to give some tourism back to Broken Hill. I know when I spent a lot of time with those communities that was one of the big advantages as well to the whole point of it. The other thing that I was particularly heartened by at the time as well, which I did not realise, is the connection now to Mildura also allows people to go and have a seamless connection now from Broken Hill to Mildura to Melbourne. So there is an easier corridor into that. The other thing that I would also add with these particular coach trials, they are two of 13 that we have run in the last year. Of that, the really pleasing result is it has generated 20,000 customer journeys thus far on just those coach trials.

It is one of those little-known facts: NSW TrainLink operates more coaches than we do trains. How we operate that with what we referred to earlier on with Future Transport about how do you get better hub-and-spoke and integrated transport, we have managed to be able to take areas like Dubbo and Tamworth and connect them up—where traditionally you have had only a connection into Sydney—and all the way back out again. Some of the elements that we are particularly pleased around is how much the patronage has actually been generated on some of those services. I have to say, in the early days when we did community consultation—and NSW TrainLink uses its own staff, because they are community based within the regions so they understand what the requirements are—they talk direct to the communities themselves about what is the art of the possible.

**The Hon. MICK VEITCH:** Mr Allaway, my original question was about the \$2.50 pensioner. So that is all very good. During the trial what fare was charged for the pensioners on the Broken Hill to—

**Mr ALLAWAY:** Throughout this we have charged exactly the fare that I have just told you about.

**The Hon. MICK VEITCH:** So it was not \$2.50?

**Mr ALLAWAY:** No, it is \$2.50 for the one that goes down to Mildura but it was never—

**The Hon. MICK VEITCH:** But to Adelaide it is not \$2.50?

**Mr ALLAWAY:** No.

**The Hon. MICK VEITCH:** Okay.

**Mr ALLAWAY:** And it is still under trial now.

**The Hon. MICK VEITCH:** So what is the fare from Broken Hill to Mildura?

**Mr ALLAWAY:** I will have to take it on notice.

**The Hon. MICK VEITCH:** Not to Mildura, just the Adelaide.

**Mr ALLAWAY:** Just to Adelaide.

**The Hon. MICK VEITCH:** I want to go now to the River Street Bridge in Dubbo. It is pretty topical in the media out there today.

**The Hon. SHAYNE MALLARD:** What have you got against Dubbo?

**The Hon. MICK VEITCH:** Sorry?

**The Hon. SHAYNE MALLARD:** You guys are hammering Dubbo all day today.

**The Hon. MICK VEITCH:** And Broken Hill, Wagga and Gobbagombalin. There was a brochure circulated to the community of Dubbo relating to the bridge and looking at Wiradjuri Park, the Newell Highway and the flood bypass. I just wanted to know who put that out?

**Mr STAPLES:** Would you be able to table that?

**The Hon. MICK VEITCH:** Yes, I can table it. It was actually handed to me when I was out at Dubbo. I just wanted to know who circulated it because it says:

Building a Better Dubbo is a \$195 million NSW Government vision to support the rapidly growing Dubbo economy.

Then it goes on about essentially looking at myths and facts around the bridge. It looks like a bit more than just—I mean, if it came from the local member I would understand, but if it is a departmental thing I would be a little bit concerned.

**Mr STAPLES:** Can you table that so I can just have a look at it?

**The Hon. MICK VEITCH:** I will table that, yes. I am not saying it is, but I would just like to know if the department had any input at all or any involvement in circulating that particular document? I am not saying you have; I just want to know if you have it would be good. I am happy to leave that with you, Mr Staples.

**Mr STAPLES:** Sorry, is that just the one document? I just want to clarify whether that is two pages.

**The Hon. MICK VEITCH:** Yes, it is the one document. It has been photocopied but it was back-to-back originally. I am happy to leave that with you, Mr Staples, to get back to us about the document.

**Mr STAPLES:** Certainly, yes. Happy to take on notice about whether we have had any role in it.

**The Hon. MICK VEITCH:** With regard to the River Street Bridge, now that the council has taken the position they have last night at their meeting, from the department's perspective, what is the way forward from here? Will you have people engage with the council about that decision?

**Mr STAPLES:** Certainly whenever we have a very important stakeholder that is offering a view different to the plans that we have here, we will stop and listen. That has to be our approach to these things. But I might get Mr Wakelin-King to give you a little bit more about where he sees we are up to in terms of that process and what we might—I do not really want to speculate much given it is such recent news, but of course you can be sure that we will listen to what is being put forward by council.

**Mr WAKELIN-KING:** As you are aware, we have been working with the community—indeed, with council—in terms of the whole Building a better Dubbo program, which is a number of particular projects. In the context of the new Dubbo bridge, which has been called the River Street Bridge, we have been working with council over a number of years in respect of that bridge and the options that led up to the selection of the River Street option. We have just recently gone out for the review of environmental factors. We have received submissions on those I believe—although I am waiting on the submissions report, we have received in the order of about 300 submissions—and we will be going through those and looking and analysing that feedback.

Obviously, in light of the council's position as articulated last night, we will be having further conversations with council officers. Obviously the Minister said this morning we have been meeting with the mayor himself, but we will continue with the engagement with council on that. It is probably worth noting that in the lead-up to the selection of the River Street option we worked very closely not only with council but the Business Chamber and Regional Development Australia to look at a number of options. We went out to the communities, we got around about 900 responses—a lot of those through an online survey—in terms of what they thought of those options, which was a major contributing factor to the selection of the River Street Bridge, which was at that time supported by the council.

Clearly, they have moved a new motion in respect of that, so obviously we need to engage with them and talk to them about how we are going to proceed from here. But clearly we are engaging. We will continue to engage as we work through this process.

**The Hon. MICK VEITCH:** Mr Wakelin-King, does it slow down the project or does it in any way alter the Government's position on the project that is known as the River Street Bridge?

**Mr WAKELIN-KING:** We remain committed to the program and any decisions to change would be a matter for government. So as far as the agency is concerned and my project team is concerned, we are obviously committed to the current course of action and we are continuing down that pathway. But obviously we will continue to do so in engaging with the council and obviously briefing the secretary and the Minister on where we are up to, taking into consideration council's comments.

**The Hon. MICK VEITCH:** My last question before I hand back to my colleague again relates to the impact of drought on roads, road construction and road maintenance. You need water, essentially, for road construction and road maintenance. What has the impact been on the department's road maintenance program, particularly in regional New South Wales, of the drought?

**Mr STAPLES:** I will ask Mr Wakelin-King to respond to that.

**Mr WAKELIN-KING:** Can I just make a comment up-front in the context of this really critical issue: For a lot of our people in regional New South Wales, there is what I would call a high degree of empathy with our people and the community. A lot of our staff actually live on farms. Indeed, they live in the communities which are severely affected by these conditions. They are very much engaged in the community on this issue. We feel it keenly is what I am trying to say to you. The key thing in terms of going to the core of your question is that we obviously need water to do a range of factors of road building and road maintenance.

We work very closely with the local water authorities, a lot of whom are obviously councils, to assess the extent to which we are able to use water sources and get their approval to use water sources. As you would be aware, for things such as maintenance and indeed obviously for building roads water is required and in some cases it is a requirement for us to suppress dust as an environmental obligation in relation to the work that we do. We look to recycle water wherever we can. We capture run-off. We have sediment ponds so we try to recycle water. We use a series of bores, particularly in the remote region—

**The Hon. MICK VEITCH:** The Far West?

**Mr WAKELIN-KING:** The Far West, and obviously in sealing the Silver City and Cobb highways that is a key factor that we have worked through. In essence we work very closely with the community, particularly the water authorities. Where water levels are too low, we do not go near there and we work through. Ultimately if we do not have sufficient water we will defer the works. That is clearly the priority in that context. We have not been in a position to do that substantially. We have had to do it on minor occasions, to my knowledge.

**The Hon. MICK VEITCH:** Just to be clear, there has only been a handful of occasions when you have deferred work and it has been more of a minor nature.

**Mr WAKELIN-KING:** Yes. So that would obviously need to be factored on a case-by-case basis but as a general view we have largely continued with our program. But if I may reaffirm the importance that we have in terms of working with our communities on this very, very critical issue. We get it 100 per cent.

**The Hon. MICK VEITCH:** Going into the summer with the water reserves that are left and being aware of what you have just articulated as the processes with recycled water and things like that, are there road projects that may now be put at risk of non-completion this year because of lack of water?

**Mr WAKELIN-KING:** We are looking at each project on a case-by-case basis. None has been brought to my attention to say that we will stop doing this as a consequence of water. They obviously talk with the teams closely on this to see where the impacts may occur into the future and so we are monitoring it closely. But at this stage no major projects or major works have been deferred. Clearly if the drought continues we will need to keep monitoring that and be flexible around that.

**The Hon. MICK VEITCH:** What is the process, Mr Wakelin-King, for you to monitor those? Is it fed up to you from your local crews or is it a decision made at a more regional level where there is a discussion around these projects and the availability of the water?

**Mr WAKELIN-KING:** There are a number of ways that this could manifest itself. Clearly at the maintenance level where our crews are out on the ground they have a very good understanding and engagement



and they will escalate that up. If it is a minor adjustment then that will be made locally. But if it is obviously a major impact on a program, that will be escalated up to the appropriate level for us to consider it and see if we can adjust the program to keep the program on track overall. So there would need to be those sort of considerations. We have environmental staff.

Our internal environmental staff are embedded within the organisation at the regional level and with the regional teams they not only look at this issue but they monitor environmental performance generally. They will be working with the project teams to look at the issue of water usage and escalating that up. If it became a critical issue on the program, then we would clearly escalate. I would need to talk with obviously Mr Fuller and the Secretary and obviously keep the Minister informed. At this stage no major works will be prevented at this time but we are closely monitoring this given the situation regarding the drought.

**The Hon. MICK VEITCH:** That includes the Pooncarie to Menindee works.

**Mr WAKELIN-KING:** In terms of the Pooncarie work, which is council-delivered work, each council will be responsible for a similar situation themselves in managing their own projects relative to their own water source. I would imagine that they would be monitoring that closely. But that is a matter for each of the councils to determine themselves.

**The Hon. MICK VEITCH:** Thank you.

**Mr FULLER:** I also add to that everything that Mr Wakelin-King has said is absolutely right. Further to that we are also working with the whole of government in terms of whole-of-government impact in terms of how we can support communities but also any critical needs or how we need to balance between departments any impacts the drought might have on our operations. In fact one of Mr Wakelin-King's directors is representing us on that because he heads up our regional maintenance delivery. So we felt that obviously not just the impacts that drought can have on that area of delivery but also the very important task in maintaining that work for as long as possible because it is really important to have that local work happening on the ground and help feeding those local economies. Under the regional coordinator general there is a whole-of-government consideration to drought and we participate in that, and we will make sure that any of those impacts either to communities or to us as operators across government are very well considered. As I say, we help each other balance those priorities to make sure that we put the best efforts on the ground.

**The Hon. JOHN GRAHAM:** I want to turn back to where my colleague was on the regional travel card. Are we still on track as a start date for that of January 2020? That is the published start date.

**Mr STAPLES:** Mr Fuller probably has a little bit more information on that. It is certainly being run by technology and transactions people within the organisation, none of whom is in detail here today. But Mr Fuller has some understanding of that, so I will let him update you.

**Mr FULLER:** My understanding is that, as Mr Staples says, our customer strategy and technology area are well placed and working very closely with the Minister's office to achieve that targeted date of early in 2020 to get that rolled out and make that available to our regional seniors.

**The Hon. JOHN GRAHAM:** Is it 1 January 2020 or is it early 2020? Which of those two are we—

**Mr FULLER:** I would take the actual physical date on notice but I know that they are certainly targeting a very early date in 2020 and I believe they are on track for some point in time in January.

**The Hon. JOHN GRAHAM:** If you could take that on notice. Up till now the discussions have been around kicking off at the start of that calendar year, so let us know any change to that. On the details, the Minister got through quite a few of the details in rapid order but I did not get to all of them. If there are pensioners in a couple, will they be eligible for individual cards, the two of them?

**Mr FULLER:** I might take that on notice. I think the intent here is to make this as broadly available as possible and also as easily accessible as possible and to try not to make this in any way administratively burdensome. So I might just take the detail of individual eligibility on notice.

**The Hon. JOHN GRAHAM:** I am totally happy with that. How will users of the card be able to monitor how much they have spent on the card? How will they know when they are getting close to the \$250?

**Mr FULLER:** I think that is something that the customer strategy and technology area is working through at the moment in terms of just how they physically can track those details, whether that is through some sort of technology or whether it comes up on systems, as the Minister said, subscribing retailers or our own travel services. I think that detail is currently being worked through.

**The Hon. JOHN GRAHAM:** So how that happens is still being sorted out but the idea that you will be able to check as you are going to make sure you spend the full \$250, that is agreed to facilitate.

**Mr FULLER:** I think their intent is to make that as transparent as possible and for people to have visibility about what they have spent to date and what is available to them to spend from there.

**The Hon. JOHN GRAHAM:** Good. Feel free to take this on notice but does the card include the GST on any purchases? What are the GST arrangements that apply?

**Mr FULLER:** That is a good question. I am not an accountant but I will take that on notice and we will provide that information.

**The Hon. JOHN GRAHAM:** I encourage you to take that one on notice. Sensibly the regional definition is the same as the Restart NSW funding allocation definitions. Just explain to me what that means though for a place like the Hunter. If I am living in the Hunter, where will I be eligible to get this card? Where is the boundary?

**Mr FULLER:** I would clarify that against, as you say, the Restart definitions. My understanding is that it is pretty clean, that it extends to Lake Macquarie and the areas beyond and into the Hunter.

**The Hon. JOHN GRAHAM:** So if I am in Lake Macquarie or some of those surrounding areas, maybe heading out west of Wallsend, I will have access to this but if I am in closer to town then I will not. There will be a dividing line somewhere in, for example, Newcastle, where on one side of the street people are getting it and on the other side they will not. That is just the nature of a regional card like this, is it not?

**Mr STAPLES:** The focus of the Government's policy is regional New South Wales.

**The Hon. JOHN GRAHAM:** Yes. So there has to be a line somewhere.

**Mr STAPLES:** We need to draw a boundary. Then I think as we roll it out we will get the information in the community's hands about what is in and out of scope. As Mr Fuller indicated, we are just going through the really practical things about how to implement it. Some of those questions will come up and we will get those resolved so that when we do go out there is no confusion in advance of the rollout—how they can use it and all those sorts of things like who is eligible and where.

**The Hon. JOHN GRAHAM:** If you could take that particular Hunter question on notice I would appreciate it. You have clearly established the criteria so it should be possible to answer. The modelling for this assumes a take-up rate of 40 per cent in the PBO costings. That is based on actual take up in one other scheme that might be roughly similar. There is some uncertainty around that costing though because there is obviously a lot of variables here. Has the agency done further costing separate to the PBO about how much this program might cost?

**Mr STAPLES:** Really our focus is on the practical rollout now. The cost will essentially be what it will be in so far as the take up. We could speculate scenarios of take-up rates and come up with different dollar figures; it is really now a case of getting in and getting it moving. The Minister spoke this morning about what happens if there is funding shortfall. That will be a matter for the Government to consider about how much further it goes with that.

**The Hon. JOHN GRAHAM:** I accept that. I think the Minister was pretty upfront about that.

**Mr STAPLES:** If there is a shortfall in the funding as it rolls out we will have to deal with that like we have from time to time.

**The Hon. JOHN GRAHAM:** I asked the question the other way, Mr Staples. We are relying on the PBO for this costing. Have you done any modelling since?

**Mr STAPLES:** When you say "modelling", all you can really do is scenarios of different percentage take-up rates. We are not into a sophisticated—because you are into human behaviour then about how many people are going to do that. We have not done it at that level. You could very simply do different proportional analysis of: If you had a larger take up what would that be?

**The Hon. JOHN GRAHAM:** Yes and that work has been done.

**Mr STAPLES:** I am sure we would have done some estimates around that.

**The Hon. JOHN GRAHAM:** And that is included.

**The Hon. MICK VEITCH:** Did you do that in-house or did you engage external consultants to assist?



**Mr STAPLES:** I would have to take that on notice.

**The Hon. JOHN GRAHAM:** To be fair, that is included in the PBO costing. Given the high uncertainty that has been included.

**Mr STAPLES:** Yes.

**The Hon. JOHN GRAHAM:** I assume that would have been worked up with Transport.

**Mr STAPLES:** We would have provided advice to the PBO through that process.

**The Hon. JOHN GRAHAM:** There probably has not been modelling done since then because you are just there. You are implementing and then it will be up to government whether it—

**Mr STAPLES:** I do not have had the detail of exactly what we gave to PBO. You have got what the PBO determined to use. We would have given advice to PBO with a set of assumptions at the time. They would have decided to do with what they chose, that is their right in the process. We will have definitely thought about the financial outcomes of different take-up rates but we are not trying to influence that in any way. That is really just an outcome of the process now.

**The Hon. JOHN GRAHAM:** I want to turn to the one specific issue about the recommendations of the final report of the Special Commission of Inquiry into the Waterfall Rail Accident. It is about the status of one of those recommendations—the implementation of the digital communication system between trains. Where are we up to on that recommendation? Can trains currently communicate between each other, driver to driver?

**Mr STAPLES:** If you are talking about the digital train radio system I believe that is in place.

**The Hon. JOHN GRAHAM:** It is the case that it is in place, that can happen and therefore we would have completed that recommendation.

**Mr STAPLES:** The digital train radio system [DTRS] has been rolled out. It is fully operational across the Sydney Trains and New South Wales trains fleets. There is still final work to go on some of the diesel freight trains that operate through the network in terms of their interoperability with it, but in terms of a passenger network—

**The Hon. JOHN GRAHAM:** The passengers network is fine but a bit more work on the diesel side? When will that be complete?

**Mr STAPLES:** The intention is that we actually have final agreements in place with the private operators by the end of this year.

**The Hon. JOHN GRAHAM:** By the end of?

**Mr STAPLES:** The end of 2019.

**The Hon. JOHN GRAHAM:** Are trains on the Newcastle to Central Coast line and the Illawarra line still speed reduced?

**Mr STAPLES:** What do you mean, sorry?

**The Hon. JOHN GRAHAM:** As a result of those recommendations my understanding is there were speed reductions on those lines. I am asking you about those two particular lines. Are there still speed reductions?

**Mr STAPLES:** I do not have a detailed knowledge of that. I will ask Mr Allaway whether he has got specific knowledge. That goes back a fair way in terms of that recommendation.

**The Hon. JOHN GRAHAM:** Understood.

**Mr ALLAWAY:** I am going to have to take it on notice.

**The Hon. JOHN GRAHAM:** I am happy for you to take that on notice. Could you also take on notice whether there is any plans to change that? If that is the case that those restrictions are in place, are there any plans to change those? I am asking what is the current status? Are there plans to change the current status?

**Mr STAPLES:** Yes. Happy to take that on notice.

**The Hon. MICK VEITCH:** Mr Staples, I just want to go back. At the end of the time with the ministry I asked a question about the Gobbagombalin Bridge at Wagga and we did not finish exploring that because time ran out. If it is okay with you I can continue—

**Mr STAPLES:** Mr Wakelin-King will no doubt have more information than I do.

**The Hon. MICK VEITCH:** Are you looking at duplicating the Gobbagombalin Bridge?

**Mr WAKELIN-KING:** Not at this stage, no.

**The Hon. MICK VEITCH:** When I spoke about the Gobbagombalin Bridge, the Gobba bridge as it is known colloquially and locally, what were you talking about?

**Mr WAKELIN-KING:** I was talking about the intersection approved—

**The Hon. MICK VEITCH:** On either side? There were two targeted intersections on either side.

**Mr WAKELIN-KING:** That is correct.

**The Hon. MICK VEITCH:** That work is going to consultation, but just to be clear there is no plan to duplicate the Gobba bridge?

**Mr WAKELIN-KING:** There is currently no plan to duplicate the Gobba bridge.

**The Hon. MICK VEITCH:** Thank you. I just thought we should clarify that because at the end it sounded a bit like you were. I do not want the local media to be reporting if that is not the case

**Mr WAKELIN-KING:** What I did say, for the avoidance of doubt, was that we were working with the local government on a broader transport study in the whole of the Wagga area. In terms of the specific bridge, that is the focus of our efforts but at this stage no plans to duplicate the bridge.

**Mr STAPLES:** You had a question before about the Snowy intersection.

**The Hon. MICK VEITCH:** Yes. The Snowy Mountains Highway and Gocup Road.

**Mr STAPLES:** Mr Wakelin-King may have a little bit more information to give on that.

**The Hon. MICK VEITCH:** Excellent.

**Mr WAKELIN-KING:** We have done some improvements to the line marking at that intersection. We are also in discussions with the Snowy Valleys Council in respect of what other options may be considered. We have looked at a range of options, including traffic lights, and we have carried out a range of surveys. No decisions have been made in terms of what that might look like. We are continuing our consultation with Snowy Valleys Council and the next meeting is in the coming weeks.

If I have still have the floor, also some more information around the number of grids that we are looking after. There is 280 grids in the unincorporated area, which is area which no council looks after, you may be aware, and we are responsible for, and also, in the Central Darling, on the Cobb Highway and Walgett shire. We have the responsibility in terms of looking after those grids in consultation with the landowners. We do the works to the extent where they are necessary, to the extent that we may need to discuss further with the local landowners, we do as I mentioned before.

**The Hon. MICK VEITCH:** And is there a maintenance program in place for those 280 grids that you have responsibility for?

**Mr WAKELIN-KING:** We have a corridor maintenance program particularly out in that area. I have actually travelled a fair bit out in that area recently and the team works on a corridor maintenance strategy, which picks up a range of maintenance requirements. They do asset inspections and they program any maintenance works that would occur as a consequence within their overall program maintenance budget.

**The Hon. MICK VEITCH:** Thank you for that. That was very good. It is one of the reasons why this process works well. Can I just go to Woy Woy underpass. What was the final cost of the Rawson Road, Woy Woy underpass?

**Mr STAPLES:** I do not have any knowledge of that.

**Mr WAKELIN-KING:** I need to take that one on notice if I may.

**The Hon. MICK VEITCH:** I will let you leave that. While you take on notice, can you break down the expenditures, the State's allocation and the council's allocation? That would be good.

**Mr WAKELIN-KING:** We will do.

**The Hon. MICK VEITCH:** The planning process for timber bridges that I went through with the Minister, particularly the bridge in his electorate where there was six years worth of planning undertaken and then we are now into the construction phase. Is there some sort of a rule of thumb benchmark? I understand that different bridges have different nuances, geography and geology and lots of stuff, but normally would it be 20 per cent of the total cost would go towards planning? Is there a number that would normally—

**Mr STAPLES:** I would have to say, based on many years of project experience, that I am always a bit hesitant to start giving rules of thumb on costs and proportions—

**The Hon. MICK VEITCH:** To quote my colleague here, that's very wise.

**Mr STAPLES:** —because you often find that the size of the thumb is somewhat different to what you initially expected. The extenuating local circumstances seem to be for every single time. One point that Mr Wakelin-King made was that a really critical element of our overall the bridges program has been the heritage discussion. I think it will be credit for the team to really go through and rationally look at how do we make sure that we retain the presence of these bridges across key areas of regional New South Wales and reflect on their heritage whilst also providing the opportunity to replace them as well. That is one element. I can't talk to the specifics of what is happening in this instance, as you were quoting this before. But I think that is an example where sometimes a project can be heading towards delivery and we take stock and make sure that there is a broader strategy issue that has been resolved. I don't have the specifics on that one about why that has occurred but I am just cautious—

**The Hon. MICK VEITCH:** It just seemed like a—

**Mr STAPLES:** I understand the point you are making but I am also cautious about rules of thumb.

**Mr WAKELIN-KING:** Mr Secretary, if I may, just to emphasise the point around the heritage approval process. We couldn't finalise that until the heritage strategy timber truss bridge strategy was finalised by the Heritage Council. That was pivotal to that process. The other thing is a broader comment if I may. There would be environmental considerations, obviously not only heritage, but considerations and I will cite one example of the Barrington Bridge where we have had to put in place a somewhat lengthy process for an endangered species of bat that has inhabited under the bridge.

We have needed to put in place specific arrangements to allow a successful migration to another habitat that we have had to particularly and specifically establish for them before we could start the works. As you well understand sometimes the complexities and vagaries of some of those externalities do put pressure on the schedule, particularly where we are preserving old bridges. It does add to that. Obviously from our perspective we like to get the jobs done on time and on budget but at times we are challenged by those externalities that do give the impression of pushing things out. But we are very keen to deliver the infrastructure for the communities we serve.

**Mr STAPLES:** You had a question on notice before about the sleeper cars on the XPTs.

**The Hon. MICK VEITCH:** Yes, my colleague.

**Mr STAPLES:** I think Mr Allaway has been able to find out a little bit of information on that. You want to know the number of sleeper cars.

**The Hon. JOHN GRAHAM:** Was it eight?

**Mr ALLAWAY:** Your knowledge is absolutely correct, it is eight sleeper cars. Seven are in service and one is spare.

**The Hon. JOHN GRAHAM:** Did that response on notice extend to when the last sleeper car will run on a New South Wales rail line?

**Mr STAPLES:** I do not think I took that on notice.

**The Hon. JOHN GRAHAM:** Can I encourage you to take that on notice?

**Mr STAPLES:** Well, no.

**The Hon. SHAYNE MALLARD:** And when do bookings open?

**The Hon. NIALL BLAIR:** He talked about how they would taper down as the other fleets come in.

**Mr STAPLES:** I understand the interest that you have.

**The Hon. NIALL BLAIR:** I don't.

**Mr STAPLES:** But I think that is a matter for closer in to the delivery of the trains and the transition that we take around that. I think we will give our customers absolute due notice about when the sleeping cars will no longer be available for them.

**The Hon. MICK VEITCH:** Can I now go to the proposal for a Singleton bypass? Essentially what I am after is a status report. Have we started the planning? Are we still consulting with the community of Singleton about this issue? It has been an issue for a while. That is the first thing. The second thing is have we convinced the Federal Government to put some money toward the project, which is probably the main question on the lips of most Singlites?

**Mr STAPLES:** Obviously we are focused on a number of major corridors—the Pacific Highway, Great Western Highway, Princes Highway, New England Highway. With the large number of projects, Mr Wakelin-King will be able to give you a little more around the status of the planning work for that.

**Mr WAKELIN-KING:** Yes, we are very much advanced in the planning stages for the Singleton bypass. We have had some community engagement and consultation. We are shortly to go out with further consultation on a preferred alignment and preferred concept design for community feedback and engagement. That will then lead to, once we take those comments into account, the issuance of the review of environmental factors, which is the precursor to planning approval subject to process. As the secretary has highlighted, there are ongoing discussions between government in terms of a range of corridors and in terms of Federal contribution. We are funded to get to what I would describe as the "shovel ready" stage but further development beyond that is subject to investment decisions.

**The Hon. MICK VEITCH:** Is there a timetable you are working to at the moment with regard to that status process?

**Mr WAKELIN-KING:** To the planning stage?

**The Hon. MICK VEITCH:** Yes.

**Mr WAKELIN-KING:** Absolutely. We will be out shortly, subject to finalisation of the concept design and the preferred concept design we will be on exhibition for that and get feedback. Then we intend to be out again early in the New Year for the review of environmental factors. To draw a not necessarily direct parallel but it is analogous to, we went out to Coffs Harbour with a preferred concept design, got community feedback and we are about to come out with the EIS and the design that we would take for the formal planning process.

**The Hon. MICK VEITCH:** So a similar process?

**Mr WAKELIN-KING:** A very similar process. We are working that over the next six to 12 months.

**Mr STAPLES:** Importantly too, we are moving towards the preferred corridor that Mr Wakelin-King has talked about being put into the local planning instruments and everything so people can start to work with confidence about exactly where the route will be ahead of implementation.

**The Hon. MICK VEITCH:** Thank you.

**Mr WAKELIN-KING:** As you would be well aware, obviously these bypasses on the New England are particularly important. We are well in flight with Scone and pleased to advise that that is progressing well on time and on budget. We have mentioned Muswellbrook earlier and then Singleton but clearly beyond the development stage there is a funding decision to be finalised.

**The Hon. MICK VEITCH:** Before I hand back to my colleague, I am not sure whether this fits within the purview of the agency but aren't you responsible for the proposed rail up in the Tweed? Is that coming in under your agencies?

**Mr STAPLES:** Certainly it is part of Future Transport 2056. We have a number of regional areas. In the Tweed area we identified the possibility of light rail extension out of the Gold Coast area into the Tweed. We made some commitments about investigating that and that is under our remit. Mr Fuller can give you a little bit more about where we are up to in terms of that thinking and process.

**The Hon. MICK VEITCH:** I would appreciate that, Mr Fuller.

**Mr FULLER:** Basically it is very early days but obviously it is important that we plan for the long term in terms of how we connect to what is, I suppose, a very important global gateway for New South Wales. Anything that may be considered for light rail in that extension of the Gold Coast light rail corridor down into Tweed Heads we would take into consideration and connect to the Coolangatta Airport, which is the sixth busiest airport in the

country. We have \$1 million allocated to work with the Queensland Government on further pursuing what the long-term strategy looks like, how that may be staged and what important considerations that might need to consider.

I guess there are a lot of similarities with what can be drawn from the extension down through the Gold Coast currently. There are plans, the next stage, to take that down beyond Broadbeach to Burleigh Heads and whether we capitalise on that and bring it further south. It is early days. The Queensland Government has a longer term strategy, as I said, in stages and it is pertinent for us to really consider that carefully now and be ready to go if we decide to connect into that.

**Mr STAPLES:** We are not completely fixated on light rail in that either. As part of the broad Future Transport 2056 we outlined a need to look at Tweed Heads as an overall transport network and obviously the light rail sits as an option in that. There are about 30,000 movements a day across that border, the Tweed. We have a broader network transport planning study underway with the Queensland Government—our equivalent in Queensland—as with an overall steering committee.

**The Hon. MICK VEITCH:** A lot of people are not aware that that Coolangatta Airport—the former Minister for Lands probably is—but it actually sits on pasture on New South Wales land so we do have a real interest in that airport and connecting our people to it.

**Mr FULLER:** We absolutely do. I was up there recently with other colleagues across government meeting with the Gold Coast Airport Corporation, understanding their future master planning, their extension plans, their considerations to better access, particularly from the road. They would like to develop another entry point into the airport. It is quite a heavily congested airport because it has undertaken considerable growth and development. As I say, it is now the sixth busiest airport in the country. We are certainly working with them very closely understanding their plans and how we connect into that. As an extension to that, there is also a lot of other activity in that Tweed Valley area. Major health infrastructure is going in with a new hospital in that region, further considerations to greater freight and industrial opportunities. So there are a lot of reasons why we would be very closely involved in that planning work. As Mr Staples says, some of what Future Transport identifies in our regional services and infrastructure plan is clearly a very important hub area for us in the Tweed.

**The Hon. JOHN GRAHAM:** And the work that is being done, that strategic planning work, is that being performed by Transport for NSW staff or is that being done by a consultant?

**Mr FULLER:** I think at this stage a lot of our work is internal. But I know that we have also looked to take advantage through efficiencies on some of the work that might have been done for Queensland. So I am not right across the particular details of who is engaged currently, but I know that we—

**The Hon. JOHN GRAHAM:** But it is actively out of the way, is really the point?

**Mr FULLER:** Absolutely.

**The Hon. JOHN GRAHAM:** I take your point, Mr Staples, that there is a range and we should look at transport across the board, but there will be a point in time here where Queensland is doing whatever it is doing and we might take advantage of that and gain some benefit.

**Mr STAPLES:** Yes. I think the point for us is that we are looking at customer and community outcomes in this area and we understand they look north in terms of a lot of what they do in day-to-day business, jobs and employment, and we do not want to see the border as the barrier to improving the customer outcomes there. So we are basically trying to look beyond those constraints. Our equivalent in Queensland in terms of the department of transport up there is very like minded around that because it gets the influx of all these private vehicle trips every day and that is part of their economic activity. So there is a joint aligned purpose in the way we are going about this.

**The Hon. JOHN GRAHAM:** And if the project did proceed, it would be as an extension of that service? Is that what is imagined or is that what is under discussion?

**Mr STAPLES:** I would not assume that that is absolutely the case. That is an obvious choice and quite likely, it would be fair to say. To me, we make the decision on what is the best outcome for the customer and the best end-to-end journey that we would want to have in that. But you just need to look at the limits of that system and how much further you can extend it.

**The Hon. JOHN GRAHAM:** Just give me a scenario where that would not be the case. Is there any scenario where you might run a different operator or have people change at the border? It seems like such a logical thing to do.

**Mr STAPLES:** I cannot think of one specifically at the moment. I am just trying to say that we will go in with our eyes open and keep a really open mind about looking at all the range of options. But, you know, clearly a base option would be continuing to extend the existing service down.

**Mr FULLER:** Yes. And I think to add to Mr Staples' point, certainly considerations of decisions taken by Queensland in both the department of transport and the Government in terms of what other transport services and infrastructure they provide down in the vicinity of the airport will certainly be considerations for us, including whether they extend their heavy rail availability. So there will be lots of things and we will go into this, I suppose, with a very open mind and in a somewhat mode-agnostic manner to ensure that we get the best fit for purpose.

**The Hon. JOHN GRAHAM:** What is the timing here? Where is the Queensland Government's process up to? When do we need to make a decision if we are going to be doing something at the same time rather than picking up the pieces afterwards?

**The Hon. NIALL BLAIR:** At the same time? They are three decades behind.

**The Hon. JOHN GRAHAM:** I am asking about their transport system, not their schooling system.

**Mr FULLER:** I think certainly there is a bit of time here at the moment because what we are looking at in terms of what Queensland has articulated with 3A is that they would be in a position at the earliest, I believe, in terms of the next connection to Burleigh Heads, at about 2023. So it is still a little way off and it is quite early in its planning—also, importantly, as I say, when you consider some of that other master planning work that is going on in the broader landscape both with the airport and other services that it might connect to.

**The Hon. JOHN GRAHAM:** So even 2023 though, in transport planning terms that is getting reasonably close. When do you view a New South Wales decision would have to be made to allow us to smoothly work together with the Queenslanders on this project?

**Mr FULLER:** We have got a million dollars in this year's budget to undertake that preliminary planning investigation work to then assist us with drawing conclusions from that. So we will be actively informing a decision, if you like, over this financial year.

**The Hon. JOHN GRAHAM:** Okay. And what is the next step in this process then? That strategic planning, that investigation when it comes to a close and then is advice back to government the next step?

**Mr STAPLES:** Yes, we would go back. I think both the Queensland equivalent and ourselves would go back to government and look for some policy direction at that point.

**The Hon. JOHN GRAHAM:** Yes, good. Alright. Thank you.

**The Hon. MICK VEITCH:** Just a question about the planning for the Pacific Highway route through Wyong. Where is that up to?

**Mr STAPLES:** Mr Wakelin-King might take that.

**Mr WAKELIN-KING:** Thanks, Mr Secretary. We are currently in the detailed design phase for that. We have, again, funding through to the completion of the development stage. It is, as you are probably aware, a complex project because it is very close to the rail corridor. This may or may not be a factor that is influenced by the fast rail planning. That is subject to further consideration. It is also a key urban area, as you would be aware, in terms of an interchange with bus transport. So we are finalising the detailed design. Further development and, in fact, delivery of the project will be subject to a funding decision.

**The Hon. MICK VEITCH:** Okay. So when did the work start, Mr Wakelin-King, on that process?

**Mr WAKELIN-KING:** The process has been ongoing for some time. The specific start date I could not give you now.

**The Hon. MICK VEITCH:** Could you take that on notice?

**Mr WAKELIN-KING:** I am happy to take that on notice. It has been going for a number of years. It is a complex site, as I said, because of its constraints—and its geographical constraints as well as its urban constraints. So we have had to revisit this on a number of occasions, particularly in terms of future rail development as well as the highway. So it is a good project in terms of bringing the modes together but just in the context of the environment it does make it a bit challenging.

**The Hon. MICK VEITCH:** And you have taken on notice when that work started. Can you also take on notice how much has been spent to date on that?

**Mr WAKELIN-KING:** Yes, certainly.

**The Hon. MICK VEITCH:** Okay, thank you. Mr Staples, this is probably for Mr Wakelin-King. I can remember back when the Newell Highway was flooded. I know people probably cannot remember back that far, but it was a while ago around West Wyalong, where it was flooded. Now I know there has been some money put in the budget—about \$5 million—for works on the Newell Highway flood mitigation work. Is that for that stretch of road around West Wyalong? When will the work start and when will it finish?

**Mr WAKELIN-KING:** So, first of all, if I could just provide some context in terms of the Newell Highway. So the Newell Highway has been the subject of two corridor strategies: one by the State Government and Roads and Maritime Services and also now, more recently, a revised corridor study done by the Federal Government, particularly in the context of the inland rail project and how we are going to view that corridor post that environment. I would also say the collaboration at the departmental level between ourselves and the Federal department has been very positive and very strong in relation to that. There is a commitment across both governments over the next 10 years of \$1.4 billion to the Newell Highway—\$700 million from each level of government—which extends to a range of projects and bypasses such as the New Dubbo Bridge, the Parkes Bypass et cetera.

The New South Wales Government recently announced \$200 million towards flood immunity, particularly in that area that was affected by the flooding in 2016. The \$5 million that you have referred to is for the early planning works in relation to that. We are obviously at the early stages of this particular program of works that we will be looking to, and it will be subject to a strategic business case and an investment decision around how we will deliver that \$200 million accordingly.

**The Hon. MICK VEITCH:** So with regard to the work at West Wyalong, when can they expect that to be finished?

**Mr WAKELIN-KING:** We would need to look at a range of things. We have not yet set out a time frame of when the works will start and be completed because we have got to go through that planning and strategic business case on the best way to deliver it and what we will actually deliver. Flood immunity intuitively means raising the profile, if you like, or the alignment of the road. That has consequences from a hydrology point of view, so we have got to be very careful and considered that we do not have any unintended consequences of doing that work. So we will need to do quite a bit of detailed planning with local communities, councils and the Newell Highway Taskforce, which we sit on and provide information to. So there will be quite a lot of work that they will need to do before we are in a position to make commitments in terms of time frames and exactly how the work will be delivered.

We acknowledge the concern. This has been strongly conveyed by not only the Newell Highway Taskforce and particularly Bland Shire Council, but also all of the councils up and down, because the criticality there was quite an extended—as you were aware—break in the Newell Highway, which had a very significant impact particularly on the freight industry and on communities more broadly. So we are acutely aware of that concern but we want to get it right because we do not wish to make any further challenges for the Newell Highway and the communities that live along it, and by the work that we do here we want to really make sure that we get this right. Flood immunity is not just confined to those areas. There are also challenges up the north of the Newell.

**The Hon. MICK VEITCH:** That is my next question. In the north, whereabouts are those works going to take place and, again, what is the time frame?

**Mr WAKELIN-KING:** We have work on Mungle Back Creek, which is in flight now. That is heavy duty pavement, so if you talk to the heavy vehicle industry one of the things is, and as you are probably well aware, the Newell is really the spine, if you like, particularly for road freight and can be as high as 30 per cent of total vehicles on the highway that are heavy vehicles. In the north we have work on Mungle Back Creek, which is around 18 kilometres of heavy duty pavement, which will actually yield greater flood immunity. That is in flight now and due to be completed by June next year.

We are in the planning phase for north and south Moree. In the lead-up to those heavy duty areas, once again that is for planning only at this stage, but we hope to apply that funding commitment that I mentioned earlier to those works. We are also looking, obviously, at the Coonabarabran bypass and how that is to be delivered in that context as well. As you may be aware, we are also in flight with the delivery of over 30 overtaking lanes in addition to the 20 that I think have been delivered to date, which will make a huge difference in terms of safety and reliability up and down the corridor.

**The Hon. MICK VEITCH:** This and the centre line, are there plans to expand that as well?



**Mr WAKELIN-KING:** Yes. It is now policy that all new work that we do on the Newell Highway has a wide centre line. You have probably driven that.

**The Hon. MICK VEITCH:** Many times.

**Mr WAKELIN-KING:** In terms of the difference that that makes to safety, we look to around about between 0.75 to 1.5, depending on whether we are going to put a median barricade down the middle on that and, obviously, depending on the width of the road corridor as a whole as to how we would do that. But the general trend that we are looking to now overlay on the Newell Highway and any new work is a wide centre line, ATLM in the wide centre line and ATLM on the edge lines.

**The Hon. MICK VEITCH:** Just for Hansard, you might want to say what that stands for?

**Mr WAKELIN-KING:** My apologies: the ATLM is the audio tactile line marking, so rumble strips.

**Mr STAPLES:** When you drive on the line, you get the vibration.

**The Hon. MICK VEITCH:** Yes.

**The Hon. SHAYNE MALLARD:** Yes. You could not have a single lane, could you?

**The Hon. NIALL BLAIR:** Just make the noise.

**The Hon. SHAYNE MALLARD:** We cannot have a single lane.

**Mr WAKELIN-KING:** I am sorry: I am unable to replicate that.

**The Hon. MICK VEITCH:** My last question concerns a similar arrangement on the Newell. The longer-term plan is to have that arrangement for the full length of the Newell? That is the long-term plan?

**Mr WAKELIN-KING:** Currently under the Road Safety Plan 2021, which is a significant \$1.9 billion commitment over the next five years, we have a series of mass action strategies around ATLM and indeed other activities. The longer-term intent for the Newell ultimately—it will take a period of time—is to apply those treatments and certainly starting with any new work. We have had this in place for well over 12 months now. Any new work on the Newell Highway will have that overlay on it.

**The Hon. JOHN GRAHAM:** In relation to that flood work on the Newell Highway, I think you would agree with me that rather than flood immunity or flood-proofing, it is really flood mitigation work, is it not? This will not stop the flooding altogether—that is probably getting too excited—although it may decrease it, hopefully, dramatically.

**Mr WAKELIN-KING:** Under the Future Transport 2056 and obviously the regional plan in relation to that, in looking at the customer requirement in regional New South Wales, one of the things that is most highly valued is connectivity, reliability and resilience of the network. The flood immunity term implies—and this is what we are targeting—very much that it enables the Newell Highway to remain connected. One of the things that we will be looking towards is what level is it? Is it a one in 20, a one in 50 type of arrangement? In responding to the Chair's earlier question around issues in terms of technical standards in response to climate change, we, in concert with our national partners—

**The Hon. MICK VEITCH:** It is okay. Just keep going.

**The Hon. NIALL BLAIR:** We have the numbers. I move that this committee hearing ends now.

**The Hon. JOHN GRAHAM:** I don't think the Chair heard you.

**The Hon. MICK VEITCH:** Order! Mr Wakelin-King?

**Mr WAKELIN-KING:** Thank you. What we are looking at in the context of technical standards in the context of climate change, as I said, is reviewing those immunity standards and the hydrology implications of a changed climate. It is a factor in the works that we do. I am also responsible within the organisation for assisting with looking at those standards, but if I could go back to the core of your question and the substance of your question in the context of flood immunity: It is flood immunity to build the resilience in the network to keep communities connected. That is what they really seek.

**Mr STAPLES:** As a general rule, we are putting new assets in four major connections across the State. Of course we will get them to the one in 100 where we possibly can, but then you have to look at the local circumstances of what is required to achieve that and then trade that off against a one in 50 or whatever it is, depending on the nature of the topography, the scale, the flood zone that you are in, the impacts you may have by



raising it that might contribute to an increase in the flooding and so forth as well. I think Mr Wakelin-King was talking before about the time this will take. It is actually just getting through that detail and then trading that off against the local impact versus the outcome you get. But clearly the point about giving connectivity as much as possible through flood events, the Newell is such a critical arterial.

**The Hon. JOHN GRAHAM:** Yes. I asked the Minister about the Muswellbrook bypass and I want to turn to some of the details of that because I did not have much time. Can you just talk me through the progress on this project? The budget says there is \$4 million, \$11 million over four years, to continue planning for the Muswellbrook bypass. When will this start? When will this end?

**Mr STAPLES:** I think Mr Wakelin-King referred to it before when we were talking about the Singleton bypass, so I will get him to pick up in that context again. Would you have a little bit of information on that at hand?

**Mr WAKELIN-KING:** As you are aware, the New South Wales Government has announced that it will provide \$266 million for the construction of the Muswellbrook bypass, so therefore it is funded all the way through to delivery. The amount that you mention is allowing us to continue the development stage.

**The Hon. JOHN GRAHAM:** I just want to stop you there.

**Mr WAKELIN-KING:** Yes, certainly.

**The Hon. JOHN GRAHAM:** What is the timing of how that money rolls out? There is \$11 million over the forward estimates. When does the rest of that money flow, or will it flow?

**Mr WAKELIN-KING:** The steps that I work to in terms of when I was describing the Singleton bypass, which again is analogous to what has occurred in the Coffs Harbour approach, we go out the concept design and then feedback, and then there is a review of environmental factors. That is going to occur over the next 18 months. Then we will, hopefully, once we finalise that and subject to planning approval, look to go into the procurement for a delivery contractor. It is our intent to start and target commence construction in 2022, as a Minister indicated this morning. The construction time frame again is in that four- to five-year time frame—once again, weather and other risk dependent.

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

**Mr WAKELIN-KING:** We will obviously cater for those risks going forward. We would expect, and targeting an open-to-traffic date, on or around 2027.

**The Hon. JOHN GRAHAM:** But even starting in 2022—and you will have to help me here—there should be some construction money in the budget.

**Mr WAKELIN-KING:** At 2022, yes, there would be construction money in subsequent years.

**The Hon. JOHN GRAHAM:** Yes, but there is only \$11 million in the forward estimates.

**Mr STAPLES:** There are times in our budget where the final construction amount is not necessarily provisioned directly. I think this is one of those instances where once we have finalised some of the detail of the project and move in and confirm budgets, then we would expect to meet that time frame and that additional funding would be allocated.

**The Hon. JOHN GRAHAM:** Okay. How often is that the case for these? I am less familiar with these roads projects as they move through the budget. Is that the case with all road projects in the budget?

**Mr STAPLES:** I would not say it is for all, but from time to time that does come up, yes. I could not put a number on that. I would have to go back and review.

**The Hon. JOHN GRAHAM:** Is this the exception or the rule?

**Mr STAPLES:** I might ask Mr Wakelin-King on roads because he obviously has a more intimate knowledge as to how often, but we go very hard at developing projects, more projects than we are in a position to deliver because we like to have them banked up and ready to go and take the time with the community to work them up.

**The Hon. JOHN GRAHAM:** I am just wondering how that interacts with the budgets.

**Mr STAPLES:** To me it is more projects that have got the full funding than not, without a doubt, but it is not unusual for us to have a number of projects that have got clear time lines to start where we have not got the full funding committed at that stage, but we expect it will come in due course.

**Mr WAKELIN-KING:** If I may say, in addition to that the certainty around the cash flows for each project—obviously the certainty we get around the funding that then enables us to plan that more clearly. Each year we review the cash flows depending on progress. This is not a static environment; it is a very dynamic environment in that context. If we believe that we can bring those cash flows forward as a consequence of good progress on the project then we will do that. We review that as part of our ongoing budgetary process on that annual cycle.

If I could please, if I may, emphasise in terms of the open to traffic date—as I said, four to five years' risk depending, predominantly, on weather. We would obviously be working to bring that as forward as we can. Obviously we are understandably conservative because these risks do happen from time to time, as you would observe. The one benefit that I would say that the dry weather has brought—and I say this with the utmost caution—is that it has enabled us to deliver projects more quickly and we have been able to be ahead of a number of projects at this particular time. But it is important, as we have observed, that wet weather can come quickly and it can have a deleterious impact on schedules. That is why we take a conservative position generally.

**Mr FULLER:** Perhaps just in terms of further context for the Committee: In terms of the pipeline of work, Mr Wakelin-King's area of our business, working with Mr Regan's area, is delivering a very large number of projects. We are talking about a delivery area currently that has 512 projects greater than \$500,000, which we report through to the delivery and performance committee of Cabinet. Within those we have 76 that are greater than \$10 million and 17 greater than \$100 million. There is a considerable amount of work on foot, a record level of investment and, with that, a balance of managing the delivery and planning as we have talked about on some of these individual examples.

**The Hon. JOHN GRAHAM:** Thank you. I might as finish up this individual example with two other quick questions. Are there any known planning issues that are slowing this down or might slow this down?

**Mr WAKELIN-KING:** There are no known planning issues. What I would say—

**The Hon. MICK VEITCH:** Are there any known unknowns?

**The Hon. JOHN GRAHAM:** I did not want to go there.

**Mr WAKELIN-KING:** What I would say is that as you would be aware this area is an area that has been heavily mined.

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

**Mr WAKELIN-KING:** We just needed to be conscious of that in our searches that we have done at this stage. We believe that we have catered for those risks but we will continue to be doing our due diligence on the way through in terms of the planning and development phase.

**The Hon. JOHN GRAHAM:** Lastly, what was the benefit-cost ratio for this project?

**Mr WAKELIN-KING:** I will need to take that on notice. Can I please come back to you on that?

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

**Mr WAKELIN-KING:** I should have an answer to that before the session closes.

**The Hon. JOHN GRAHAM:** Thank you. I appreciate it.

**The Hon. MICK VEITCH:** I just want to go back to the flood works on the Newell. I have a long-held issue with the betterment arrangements after flood. As I understand this State has repaired the road, the Newell Highway, after the floods but we cannot improve it to a better standard; we can only repair it to the standard it was. Is that correct?

**Mr WAKELIN-KING:** That is correct.

**The Hon. MICK VEITCH:** We would have spent how much money doing that in the Bland? You can take that on notice. Now we are going to look at improving the road but we could not do the obvious improvements that are required back when the road was damaged. Is that right?

**Mr WAKELIN-KING:** If I may, the policy around natural disaster relief funding—and I do need to inform the committee that there is, as you may be aware, a reform process on foot in relation to natural disaster relief funding. The issue of betterment—that is, taking an asset that was severely damaged or in some cases washed away; usually it is flooding where the greatest impact occurs—it is a like for like replacement. The intent

is not to create an adverse behaviour, to try and use the natural disaster relief funding as a program for what is not intended. Therefore, what we do is we work with councils—and particularly councils, in this context.

If in replacing a bridge a council wants to put in place a better standard, then additional funding is required. There are other programs to which councils can bid in respect to that but not under natural disaster relief funding. The Federal Government is very strict on this, understandably. We work very closely with the Office of Emergency Management [OEM] and councils on this issue. In the context of the reforms to natural disaster relief funding, one of the issues that has been particularly frustrating for councils is the use of day labour. Historically, day labour has not been permitted under natural disaster relief funding; therefore, councils cannot use their workforce or charge their workforce out against the work.

**The Hon. MICK VEITCH:** And for the regional councils this is an issue.

**Mr WAKELIN-KING:** Yes, absolutely.

**The Hon. MICK VEITCH:** A very real issue.

**Mr WAKELIN-KING:** Under the proposed new arrangements—which have been rolled out and councils have been actively engaged with this, led by OEM but supported by ourselves and other agencies—councils can opt into a new funding arrangement that enables them to use day labour. That is the significant benefit of the new model. I defer to my colleagues in OEM as to what the take-up of that is. I think it is on or around about 50 per cent of regional councils that have opted in. Some have opted to remain out. That is a decision and a matter for those councils. The principle of betterment remains strongly that that is not permitted under this particular funding program.

**The Hon. MICK VEITCH:** Yes, but it does not make sense. That is not your issue, I appreciate that. I am being told that today there are cancellations and delays to intercity train services due to staff shortages. Is that correct?

**Mr STAPLES:** I will ask Mr Allaway to give you a bit of context on some staff shortage issues we have had in recent times, the way that we are managing those and the level of impact that that is having. While he is looking up some numbers on that it would be fair to say we work really actively to plan our workforce and have availability of drivers across the Sydney Trains and New South Wales train network. We do move drivers a little bit between those two networks over time as part of a sort of career transition.

One of the interesting nuances is that most of the people in NSW TrainLink actually start out in Sydney Trains and then their career progression goes through. We are keen to explore whether or not we can recruit directly into NSW Trains so that we can recruit more regionally based staff to start at the moment. We have just got some interesting previous practice that is contributing a little bit to the challenge for us to manage our resources overall. However, there are a couple of factors that Mr Allaway can talk about specifically, what we are dealing with at the moment.

**Mr ALLAWAY:** Just on to Mr Staples' points, in the last couple of weeks we can confirm that we cancelled 23 intercity services.

**The Hon. MICK VEITCH:** You are going to have to use the microphone, Mr Allaway.

**Mr ALLAWAY:** Sorry. We can confirm that we did cancel 23 intercity services. There are a number of things, as Mr Staples has pointed out, that you take into the bandwidth of how you do workforce planning. We were particularly challenged by, one, we had a virus that affected a number of depots that was above and beyond what we would expect for normal parameters of sickness. We also had a number of additional train movements we had to make for certain types of maintenance work. That is not us doing the maintenance work; it is just that when you plan maintenance work on the network you have to be able to move trains around to get them into a different position. That is more work for drivers and guards. That's that particular aspect. What I would say that puts it in context: If you take it over let's say the last 10 weeks we ran 33,000 revenue services a day, of which 32 trains in that service were taken out. To put it in proportion to the numbers of services, it is quite low.

**The Hon. MICK VEITCH:** Do you call on overtime to backfill wherever you can?

**Mr ALLAWAY:** We do have overtime, to a certain level about what we can actually offer. Of course, that is offered out to staff as to whether they want to take that particular option up or not. We do monitor quite closely our fatigue levels as well. You have got a safety component to try and balance within that.

**The Hon. MICK VEITCH:** It is a safe working environment, so—

**Mr ALLAWAY:** Absolutely. You have to be very rigorous about what hours are allowed, when they are allowed and so on and so forth, which we monitor quite closely. The other aspect that I would try and draw out as well for training, which Mr Staples pointed out, is that we have quite an ageing demographic—particularly in our drivers and guards—because we are reliant on a transfer from Sydney Trains. They tend to be older in that capacity. As with all of us, when we get older we tend to have more ailments that happen to us. We have a number of people that are on long-term sickness who we are actively managing back to work because we have a welfare and care approach to that.

The other thing that I would say, particularly for NSW TrainLink in longer distance services, one of our acute risks, which we highlight quite often, is psychological injuries, particularly for drivers in open sections of track. Particularly on level crossings, near misses is something that I personally have to deal with through the staff. Obviously for psychological injuries they do not come back to work necessarily straightaway and it can affect our staff in very different ways.

**Mr STAPLES:** Two things I would like to add: One, I obviously acknowledge that some customers would have been affected by this, so absolutely apologise for that. Just to give you some assurance, on a day-to-day basis NSW TrainLink, as does Sydney Trains, works with a quota of staff that they look to have on roster and they do it depot by depot. There will be a number of drivers allocated to a specific service and then we will have what we call spare drivers that will be on standby. They are there for a number of reasons—to mitigate some of the sickness or if we have service disruptions where we need to call on more drivers because things get out of kilter, and also to manage some of those track possessions and other things which actually demand more drivers than normal. We have just had a circumstance here where we have had a greater sickness level and basically the reserve pool we had is being drawn down beyond what we would normally expect. So we have to reflect on that now and see whether or not we have to change the provisioning and whether we need a slightly different approach.

**The Hon. MICK VEITCH:** Mr Staples, are we at the worst of this or do you predict it might get a little bit worse before it gets better?

**Mr STAPLES:** I will ask Mr Allaway. I am not aware of an expectation that this is going to get worse, but we are going to have to actively manage it over the long term in terms of the total available resource. It is partly dependent on, as we were indicating—and the reason I have raised it—being able to transfer people out of Sydney Trains into NSW TrainLink.

**Mr ALLAWAY:** I will have to confirm that.

**The Hon. MICK VEITCH:** I want to move on now. In regional New South Wales the good old lollipop supervisor is quite an important individual and I know there is a plan to rollout the lollipop supervisors at some of the smaller—there has been a change in the criteria for which schools get them. Are you responsible for the lollipop supervisors or is it some other agency?

**Mr STAPLES:** No, we are. Look, we are really pleased the Government has committed additional funding to increase the number of school zone, level crossing supervisors. We have all got kids. We all take that really seriously, whether it is Sydney or regional New South Wales.

**The Hon. MICK VEITCH:** They play a vital role.

**Mr STAPLES:** They do. I would like to personally acknowledge the role that they provide, frontline, day in, day out, keeping our kids and other people who happen to use these crossings safe. We are still in the process of scoping out the locations where we are going to apply that. Obviously we have a recruitment process to go through to bring on more of these level crossing supervisors to go through the training process. There is a big ramp-up in the number we are going to have, but we are absolutely focused on making that happen as soon as we can.

**The Hon. MICK VEITCH:** I agree with all of that. They do a wonderful job. My issue is their workplace health and safety. On the hottest of summer days and on the coldest of winter days these people are out in the elements. What are the processes to make sure that they remain hydrated in the summer? What are we doing to make sure that we look after our lollipop supervisors?

**Mr STAPLES:** I do not have a detailed knowledge of this particular work activity. I am happy to ask a couple of my colleagues here who maybe have a bit more of the background from RMS. We have actually moved that cohort of our workforce into a different part of our organisation in recent times under Deputy Secretary for Safety, Environment and Regulation Stephen Jones. He has basically got a lot of the frontline safety people. Whether it be the heavy vehicle inspectors or our level crossing supervisors, both provide really critical safety

roles so he has a task to look at the way that we are managing that workforce. I would have an expectation that we would be looking after them. If there are issues there then he will certainly look at that.

**Mr FULLER:** I could add to what Mr Staples has said, having previous responsibility for the safety area in the Roads and Maritime Service. There is a very strong culture and a massive improvement that has been undertaken not just in the general safety in the work environment but also in the wellbeing of our people. Your question was about extreme conditions and things. There are lots of precautionary measures—alerts, safety briefings and things—that go out in advance of those extreme weather events so that people do adequately equip themselves, whether that be in the school crossing environment where they are there for a couple of hours in a part-time arrangement, or whether they are out, say, in the Silver City Highway as an example, working many hours to reseal roads and to undertake work. There is a very considered approach to the wellbeing and safety of our staff broadly. I think you could be assured that that is rolled out across the board across all work environments.

**The Hon. MICK VEITCH:** They do a wonderful job and I want to make sure they are being looked after, that is the gist of it.

**Mr FULLER:** I absolutely agree. They are a fabulous element of the workforce that we have. Given that there is about 1,200 supervisors at the moment across 800 school crossing environments, they are a very big representation in the community so we want to look after them as well.

**The Hon. JOHN GRAHAM:** I want to ask about some specific road projects that were committed to. Feel free to take this detail on notice but I want to ask about the funding source for the \$10 million to upgrade Werris Creek Road, over \$8 million towards sealing Rangari Road between Manilla and Boggabri and the \$4.4 million to upgrade Federation Way in Albury, which are all local roads that I understand are not funded under the Fixing Local Roads project. What was the funding source for those?

**Mr STAPLES:** Obviously we have a multibillion-dollar delivery program here so we do not necessarily come with the detail on every individual project at hand.

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

**Mr STAPLES:** But I will ask Mr Wakelin-King to see whether he has anything specific on those.

**Mr WAKELIN-KING:** Obviously we will come back with the specifics on each particular project and their funding source. The funding sources are the Special Purpose Grant, the Regional Rural Road Fund program is another source and there could be sources under Fixing Country Roads as opposed to Fixing Local Roads.

**The Hon. JOHN GRAHAM:** I am simply happy for you to clarify the funding source.

**Mr WAKELIN-KING:** Yes, certainly.

**The Hon. JOHN GRAHAM:** I would be very comfortable with that.

**Mr WAKELIN-KING:** We will take those on notice.

**The Hon. JOHN GRAHAM:** Again, you might want to take this on notice but under the Fixing Country Bridges program one of the bridges that there is an expectation might be fixed is the Cedar Party Creek Bridge in Wingham. I think the hope for the MidCoast Council is that they may receive the funding. Where is this up to? Is that funding likely to flow to the council or not?

**Mr STAPLES:** I think we might have to take that on notice.

**The Hon. JOHN GRAHAM:** Yes, I appreciate it. Thirdly, a very specific question: the new commuter car parking being set out in a range of places, a fair bit of it is in Sydney, but I will ask in relation to Tuggerah—

**The Hon. WES FANG:** Is it regional?

**The Hon. JOHN GRAHAM:** Yes, exactly. How many additional commuter car parking spaces will be created at the new commuter car park at Tuggerah as a result of the additional funding that has been announced?

**Mr STAPLES:** Obviously we have a really significant commuter car parking program in delivery. I will ask Mr Regan whether he has any particular detail on that one, otherwise we will take it on notice.

**The Hon. JOHN GRAHAM:** I would be very happy with it on notice.

**Mr REGAN:** I do not have the specifics of Tuggerah but I will happily take it on notice and provide that detail for you.

**The Hon. JOHN GRAHAM:** In the broad group, in the Transport for NSW-RMS group, how many of the jobs, how many of the employees are in regional areas?

**Mr STAPLES:** We have a workforce of about 25,000 to 26,000 people. About 20 per cent of them in total would be within what we designate regional New South Wales. I think if you look at the Roads element, which is the RMS component that is coming in on that, it is probably closer to 50 per cent within that, which is why we have been very strong about our commitment in terms of—as we go through the transition of bringing these organisations together—keeping a strong presence in regional New South Wales, which we see a huge benefit to.

**The Hon. JOHN GRAHAM:** Yes. The commitments have been quite strong and I think full credit to the Government for that. The Premier has also been quite strong in relation to the budget in general that regional jobs will not go. Given the significant regional footprint that you have, particularly in RMS, are you confident that either as a result of the efficiency dividend or the restructure of RMS that you will be able to meet the Government's commitment that there will be no job losses in regions?

**Mr STAPLES:** Absolutely. We see huge opportunity in regional New South Wales. Firstly, we have a day labour workforce out there doing a lot of frontline maintenance, and doing a great job, a lot of which Mr Wakelin-King looks after. Mr Allaway has a substantial workforce there managing our trains and servicing our stations there. We have some back office activities and see the opportunity maybe for more back office activities in regional New South Wales in years ahead. The capital investment that we are making in regional New South Wales as well, which is not all our own workforce, but basically contractors and that working as well, is also driving quite a bit of economic activity and jobs within that area—bringing all that together. One of the strengths of bringing Roads and Maritime Services together with Transport is that they do bring a strong technical and engineering competency. A lot of that is based in regional New South Wales. There is a real advantage for us retaining that. We have given some undertakings through our recent industrial negotiations about our commitment to retaining those capabilities within the organisation as a core tenet.

**The Hon. JOHN GRAHAM:** You have answered those questions strongly but mainly in relation to the restructure. Can I just ask you to reflect on the efficiency dividend as that rolls through. Is there a risk that that will impact or are you comfortable that as you grapple with that in Transport regional jobs will not be affected?

**Mr STAPLES:** Year on year our operating expenditure budget is going up. It has gone up each year for the last three years and I expect it to continue to go up. What the efficiency dividend is actually doing is really challenging us to reprioritise internally the way we spend our money to get as much of it into frontline service delivery. Most of our activity in regional New South Wales is in frontline service delivery. So I do not see risk in relation to that. Where we do see challenges is that we need to move resource around from time to time.

I think the classic example for us is the Pacific Highway—after 20-plus years of substantial investment, and built around a capability up on the North Coast, is starting to come to a close, notwithstanding we still have Coffs Harbour to deliver. But the challenge for someone like Mr Fuller and Mr Wakelin-King—and Mr Regan—is what do we do with that capability now? We want to retain it but it is not necessarily where the work is. So we do need to have a workforce that is prepared to move around, to go to other locations and so forth. But the commitment to continue to invest and have a workforce for regional New South Wales is very strong.

**Mr FULLER:** If I can add to that, with our people and culture team we have worked on some very specific targeted strategies, one of which we refer to as "project pipeline", for the very reason that Mr Staples has just communicated about the Pacific Highway and the desire on our part to retain the knowledge that we have built internally to then move that across into other projects. Because obviously as some of that work winds up in the north we have a very strong commitment now in terms of the Princes Highway, the Great Western Highway and Mr Wakelin-King has talked extensively about the Newell Highway today, so we want to retain those resources. We want to incentivise people to move around the State and continue to contribute the good work that they have on some of these other major projects and bring that experience with them. We have quite a considered approach now, which we are getting better and better at in terms of workforce planning, to ensure that we can mobilise.

**The Hon. JOHN GRAHAM:** I might stop you there—and thank you for that answer. I am very surprised but we may run out of time.

**Mr FULLER:** I do have a response on the seniors card too, if you would like to hear that.

**The Hon. JOHN GRAHAM:** Yes—fire away.

**Mr FULLER:** To clarify, you asked a couple of questions. The cards will be treated as individuals, so couples will not have any need to share. We have been advised that GST is included, so the \$250 is inclusive of GST. Individuals will absolutely be able to spend track as they go and they are just working through the details of that. And just reconfirming that it is intended that it will start in January.

**The Hon. WES FANG:** Wow—sounds like a great program.

**The Hon. JOHN GRAHAM:** Thank you for those clarifications. That is really helpful.

**Mr ALLAWAY:** Can I also put in another clarification as well?

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

**Mr ALLAWAY:** When I talked about the 10 weeks of services, it is 32,000 services that we recover every 10-week period, which was 32 trains cancelled. We are good; we are not that good.

**The Hon. JOHN GRAHAM:** Thank you for those clarifications.

**Mr WAKELIN-KING:** May I, whilst we are in the spirit—

**Mr STAPLES:** We have got the clarifications through. If we are all happy, we have got one more to go I think and that is it.

**Mr WAKELIN-KING:** Muswellbrook BCR, which you asked—and I apologise for not having that at my fingertips—was 1.3.

**The Hon. JOHN GRAHAM:** Great. Okay.

**Mr WAKELIN-KING:** And on Mr Veitch's question around which timber truss bridges have been load limited, I can advise that I have advice that it goes back to 1964—the Victoria Bridge in Picton. There are a number of others more recently in relative terms: Monkerai Bridge, Clarence Town and Briner bridges, and McKanes bridge, all of which are under our Fixing Country Bridges program.

**The Hon. MICK VEITCH:** And McKanes bridge is now on the program, as I understand it, to be done.

**Mr WAKELIN-KING:** Yes. As is Briner, as is Monkerai, as is Clarence Town. I will provide the—

**The Hon. MICK VEITCH:** Nineteen-sixty-four—I did not think it was that far back, anyway.

**Mr WAKELIN-KING:** It went down to 15 tonnes and for the avoidance of doubt went down to five tonnes in 1992. I will come back to the Committee via taking it on notice in relation to our next steps in respect of that bridge.

**The Hon. MICK VEITCH:** Okay. That would be very good.

**The Hon. JOHN GRAHAM:** I want to move to 2017. One of the reports is that there has been a reduction since then of 15 per cent in compliance operations inspectors in relation to heavy vehicles. Firstly, is that the case? Are those reports correct?

**Mr STAPLES:** Sorry, where are you drawing that? Are you able to table a document that gives something around that?

**The Hon. JOHN GRAHAM:** I am not able to table a document but that is the suggestion that has been made to me. I firstly want to clarify is there a view about, since 2017, what the number of compliance operations inspectors is?

**Mr STAPLES:** We are obviously very focused on heavy vehicle inspections—a really committed workforce out on the ground across the State in various mobile as well as permanent heavy vehicle inspection stations. New South Wales uniquely has a challenge around heavy vehicles not just because we have a lot of activity within the State but because of the movement from Victoria and Queensland. As a through State we have been more active than any across the country in terms of that. And obviously we have the role of the National Heavy Vehicle Regulator that we are working with as well. In terms of any specifics on the numbers around inspections I would have to take that particular one on notice.

**The Hon. JOHN GRAHAM:** Yes. I am comfortable with that.

**Mr STAPLES:** But I really want to reiterate that there is a very strong commitment from the Government and the agency around being vigilant on heavy vehicle inspections.



**The Hon. JOHN GRAHAM:** When you take that on notice can you also tell us how many truck intercepts were performed at heavy vehicle safety stations for each of the last two years. There had been a drop apparently of 17,000 from 2013 over the three years that followed that. Can you tell us what the figures are for the last two years?

**Mr STAPLES:** I am happy to have a look at what data we can provide in relation to that. I think probably one other point to make around heavy vehicles is the chain of responsibility law. You should see the inspections as the line of last defence. What we want to do, and we are being really ambitious about it, is pushing up the chain and getting businesses to make better decisions about the health, qualification and suitability of their drivers to be in the vehicles and then the fitness of the vehicles themselves so that we are not having to intercept as often. That is really the long game to play here in terms of road safety and the outcome.

The National Heavy Vehicle Regulator is very focused around approaching it from that point of view. A lot of work between ourselves—and I credit the highway patrol and police to be proactive about getting in with businesses and educating drivers and making them more aware. We see that is where the big shift has to be had in the industry. We see what the inspectors are doing is really important—checking to make sure that they are actually doing the right thing around that. It is much more of an assistance-based approach and the drivers not leaving under pressure, the drivers leaving knowing they have a boss and a business that is actually caring for them, looking out for them on the road.

**The Hon. JOHN GRAHAM:** I accept that framework. I encourage you to take all these on notice. I am interested in four things: how many inspectors, how many truck intercepts, how many on-road or enforcement truck intercepts—these are in the last two years—and how many fatalities have there been from heavy vehicle crashes in those two years as well. I think your context is important but if you could then give us those figures.

**Mr STAPLES:** I am certainly happy to take those numbers on notice. The only caution I would offer is starting to try to correlate those things year on year.

**The Hon. JOHN GRAHAM:** I totally accept that.

**Mr STAPLES:** Particularly when it comes to the fatality figure, trucks are absolutely overrepresented in fatalities in this State. We are really open on data in terms of fatalities and injuries. The Centre for Road Safety does a great job in showing all that, but the impact on fatality is a long-run campaign across education, chain of responsibility and so forth, of which the inspectors regime is also a part. It is a much more complicated situation than just correlating inspections with fatalities.

**The Hon. JOHN GRAHAM:** I agree with that.

**Mr FULLER:** I could also add to what Mr Staples has said because I have recently had some briefings from the compliance team. Some of that good work they are doing is becoming much more risk based or risk orientated. As an example, I know they undertake something like half a million inspections a year. We will get back to you with the exact numbers, but in terms of those on-road inspections there are a very considerable number. But what I know they have increased dramatically in the last few years is their special operations, so partnering with police, targeting those real risk-based opportunities, working with industry—they have increased by 21 per cent.

I know that our compliance rate in terms of the vehicles that are coming through our heavy vehicle inspection stations, the overall rate over the last three years has remained pretty steady at about 86 per cent or 87 per cent. In fact, I know that our compliance officers would be very proud of the fact that New South Wales has the safest fleet in the country. So we can confirm the exact statistics but in terms of the identification of any major defects I know we are less than half the other States and they are very proud of the work they contribute in making sure that fleet is very safe.

**The CHAIR:** Thank you.

**(Dinner adjournment)**

**The CHAIR:** Thank you for re-attending.

**The Hon. MICK VEITCH:** Mr Staples, again, this might be one of those ones that will be referred to Mr Wakelin-King, but it is just regarding the use of interstate contractors on our roads for road maintenance contracts. Do we engage any contractors out of State for road maintenance work?

**Mr STAPLES:** Are you particularly referring to regional road maintenance?

**The Hon. MICK VEITCH:** Regional roads, yes.



**Mr STAPLES:** Obviously we go through procurement processes for procurement of major contracts. We do not tend to distinguish too much between the location of contractors but I am happy to let Mr Wakelin-King give you a little bit more detail on the activities we do undertake.

**Mr WAKELIN-KING:** As the secretary has outlined, we do go through a proper procurement process, as you would appreciate. We are bound to do that to get best value for money. A couple of the things that I would emphasise: For a number of our contracts we put an emphasis on local participation and we ensure that they meet certain KPIs in that regard. That is particularly in the case of, for example—

**The Hon. MICK VEITCH:** That is workforce participation.

**Mr WAKELIN-KING:** Yes, workforce, but Aboriginal participation in construction—a range of those particular areas. Sometimes there is a capability issue. Obviously with the significant investment that is happening in regional New South Wales, where there are a lot of contractors who are working, we need to obviously look further afield. We get subcontractors who come in who are outside of the State as well. The key thing that we are trying to balance here is the successful delivery of the project with trying to obviously deliver the work and stimulate the local economies. A good example that I would draw on is the Burrill Lake Bridge, where about 80 per cent of the work was done by local subcontractors in that area. It only had a head contractor but they look for their work locally.

A lot of our work, though, in the regions on the road maintenance program is done by our staff. We have around about 1,400 to 1,500 staff involved in the road maintenance program—ranging from routine maintenance and vegetation clearance, as I said, all the way through to heavy patching, major rehabilitation and minor projects. They have done some work on some of the works on Appin Road, for example, just near Bulli Pass, about a \$20 million program.

**The Hon. MICK VEITCH:** And line marking? Is that a part of the—

**Mr WAKELIN-KING:** Line marking is part of our workforce and they do on or around about somewhere between 15,000 to 20,000 kilometres a year. We do sometimes subcontract out our line marking but we have a good supply chain in New South Wales for contracts of that nature. We also establish contract panels—

**The Hon. MICK VEITCH:** That is what I was going to go with here. When you do those contract panels, there is a predetermination process you go through—so to get onto the panel if I was a provider—and then there is a rolling selection process, or do you get to choose from the panel?

**Mr WAKELIN-KING:** Depending on the nature and the size of the acquisition we can choose directly from the panel. As you would be aware, above certain thresholds we have to get a minimum number of quotations or bids, and then if it is a significant size program we then go to an open tender process. You go through a pre-qualification scheme to get on the panel in the first place. Obviously we use a lot of raw produce—gravel and all of those sorts of supplies—and we set up supply contracts for that as well, which are regularly and routinely tested from a market point of view to ensure that we are getting good value for money.

**The Hon. JOHN GRAHAM:** I just want to turn to the trial projects to do with new public transport routes. Thirteen routes were discussed, and I think it might be slightly higher now, to connect 44 isolated communities across regional New South Wales. We talked about it a bit over the course of the day. Is it now 13 or 15 trials?

**Mr STAPLES:** Sorry, are you talking about On Demand trials? Can you clarify what you mean? I just could not quite follow.

**The Hon. JOHN GRAHAM:** No, these were the rural and regional hub-and-spoke trials.

**Mr STAPLES:** To do with local bus and coach—

**The Hon. JOHN GRAHAM:** Yes, different to the On Demand trials.

**Mr STAPLES:** That is very much to do with the coach service, as we were talking about earlier. Historically our public transport network was very much set up around an orientation towards metropolitan Sydney in terms of the whole way the system has been developed. We are really challenging ourselves to think much more for regional communities about their relationships with adjacent regional areas. I will hand to Mr Allaway to talk a little bit more about some of those trials—where we are at and the number.

**Mr ALLAWAY:** If I focus first thing on the number it is 13 coach operation trials, but there is the Government commitment for the isolated communities as well. We are working through a program at the moment about how we better utilise our existing coach network but also, as the secretary has pointed out, we are trying to

look at an integrated approach. Sometimes it might be buses or community buses that will connect those particular areas where it is more prudent to do so. In other areas we will just extend our existing coach network so it takes into consideration those isolated communities. If I can talk a little bit about the 13 trials that we have undertaken in the last year; as I said earlier on, that has generated 20,000 customer journeys in total.

The absolute approach to it has been that the more we can get regional hubs to connect with regional hubs the better it can be for regional communities and customers. We have undertaken those 13 in the last year. They range from anywhere between Tamworth and Dubbo, Tamworth and Port Macquarie, Goulburn to Canberra, Wagga to Canberra, and of course that includes the Broken Hill services we spoke about earlier on. I have to say, on many of these the way in which we have engaged is to use the communities themselves. We go to the communities and we say, "What would work for you?" They tend to tell us through extensive surveys and our staff engaging with them from TrainLink about what days of the week work best for them. For different communities there are obviously different demands.

For some of our coaching trials, which I think have been very successful, it will range from anything between visiting family and friends, hospital appointments, education needs or tourism. A lot of the time, particularly with our coaching networks, and it is one of the beauties of actually using coach or road transport in public transport in those areas, is obviously you can connect it door to door to certain hospitals. The Broken Hill to Adelaide actually does have a stopping pattern that includes the hospitals themselves, so people are not waiting outside or anything. They can just directly pick them up. I suppose one thing that I would mention in that is we have very much worked this on a trial basis, so we continuously monitor.

Usually after three months we go back to the communities and ask them exactly whether it is working for them or not and try to adjust some of the mechanisms to it. One of the elements that I would point out is that is that we have always worked on a "use it or lose it" approach. There have been three out of that 13 trials that we have ceased operation because we did not get the patronage up.

**The Hon. JOHN GRAHAM:** Does that mean you have rolled it into three other areas, or you are concentrating—

**Mr ALLAWAY:** This is our absolute approach. We are currently reviewing again. If we fail, we fail fast in those particular areas. Then we look for other opportunities within regional customers in community areas.

**The Hon. JOHN GRAHAM:** When did those trials start?

**Mr ALLAWAY:** They started back in March 2018 and we are running all the way through now.

**The Hon. JOHN GRAHAM:** When this was dealt with by the PBO there was not an allocation for it, so it was allocated in nominal dollars. It was indicated that it would be absorbed by the existing budget. The financial impact was zero. Mr Staples, it is not a large amount of money, \$1.5 million, but are you confident that that has been funded within the agency? Have you been able to do that within your ordinary prioritisation?

**Mr STAPLES:** Yes, that is correct.

**The Hon. JOHN GRAHAM:** Similar to the On Demand trial, the key criteria here is the patronage for the service. Is that really the—

**Mr ALLAWAY:** It is an underlying principle to it but it is different for different areas. We are very, very conscious of the social needs of the area as well. If you were to do it purely on a patronage and financial basis we probably would cut off a number of different communities, and that is not our aim to do that.

**The Hon. JOHN GRAHAM:** Just so I totally understood you correctly, of the three that ceased, you have moved into new areas?

**Mr ALLAWAY:** No, we are reviewing the program now about where would be best to put them.

**The Hon. JOHN GRAHAM:** How long will the trial keep rolling for? What is your expectation at this stage?

**Mr ALLAWAY:** One of the pleasing aspects to it, which has been announced already, is Tamworth to Dubbo. That was announced by the Dubbo member a while ago. That has actually gone into full operation, so that is a timetabled service. The others we will stretch across between now and the end of the year about whether we continue those trials or not.

**The Hon. JOHN GRAHAM:** Working well, this is how it should work. You are proving it up and then hopefully—

**Mr ALLAWAY:** Absolutely.

**The Hon. MICK VEITCH:** Probably my last question for today, or series of questions. They relate to the efficiency dividend, Mr Staples, and how it is being applied at your agencies, but the impact in regional services. I guess the first thing is: Do we know what the quantum of the efficiency dividend requirement is for your agencies in the regions?

**Mr STAPLES:** No, we have not been given a specific requirement for regions. We have just been given our overall—

**The Hon. MICK VEITCH:** So totality?

**Mr STAPLES:** —budget allocation as a totality. As I alluded to a little bit earlier, in terms of our overall budget we have continued to receive increases in budget allocation as a total in terms of both operating and capital budget over the last few years. Where the dividends come in is really a message from the Government to say it wants us to get smarter with the way that we are managing our finances.

So I will just get a couple of quantum numbers out here. For example, we have got \$29.5 billion in our total costs of budget for 2019-20, of which \$14.4 billion of that is recurrent and \$15.1 billion of that is capital. If I take that \$14.4 billion of recurrent for 2019-20 and I go back to 2018-19, that was \$13.5 billion. If we go back to 2017-18, that was \$12.8 billion. That is all a matter of public record—those three figures—but it is just to illustrate to you that there has been an ongoing increase in the total recurrent expenditure allocated to the Transport portfolio as a whole.

It is often confused with—we have had an efficiency dividend applied. The efficiency dividends are around essentially the internal costs and the way we are managing our business as a whole and we have had targets applied around reduction in senior service management—for example, targets for reduction in procurement activities and so forth, so how do we get better value out of our supply chain and so forth. I did talk a little bit about that at the last estimates hearing around some of the activities we have done in terms of our purchasing and so forth. That is where our focus is when it comes to the efficiency dividend conversation, around achieving those targets that the Government set.

**The Hon. MICK VEITCH:** Do you have a team within your agencies, a senior management team, that has looked at the efficiency dividend and how you are going to achieve some of those things—for instance, procurement?

**Mr STAPLES:** It is under response. Under our corporate services area, led by Anne Hayes, who is the Deputy Secretary Corporate Services—she is essentially our chief financial officer as well and underneath that she has her entire financial team that oversees the finances for the cluster; we are still bringing some of that together as part of the organisational change—within that space she has also got responsibility for procurement policy and supply chain. They are a couple of the key areas that she is focusing on. She, with me, is responsible for setting the budgets for essentially each of the divisions, which we are still working through given the scale of the change that we are undertaking at the moment.

**The Hon. MICK VEITCH:** There is a fair task there in front of you.

**The Hon. JOHN GRAHAM:** This was the final area I want to ask about. I want to come back to make sure I properly understand the discussion we were finishing about repairing local roads. I just want to return to that issue about maintenance in the long term for this with the State and councils. There is the \$500 million commitment to repair those roads; that is separate to any funding which may or may not be required for the transfer of the 15,000 kilometres though, is it not? They are two separate processes and separate funding issues.

**Mr STAPLES:** That is right.

**The Hon. JOHN GRAHAM:** We are not going to raid the \$500 million to deal with this very significant process about 15,000 kilometres, if I understood you correctly.

**Mr STAPLES:** No, that is right.

**The Hon. JOHN GRAHAM:** I accept there might be existing maintenance funding going to councils at the moment so you have not yet made this choice, if I understand you correctly. But as the State takes on those roads, when it comes to maintaining them, you might face a choice where you might say, "Maintenance funding we might give to the council", or you might choose to deal with it in some other way. Is that correct?

**Mr STAPLES:** Just talking in a generic frame first, we may have a particular regional road that is currently the responsibility of council and we have a certain amount of money that we allocate to the council at

the moment to undertake that activity. If we, through the process which is obviously still to be determined, end up taking over responsibility for that, obviously the first thing we will review is all the funding that was going towards that that the State would look to allocating to the activities on that road. How we then choose to maintain that road then becomes a subsequent decision about whether we want to use our own resources that the Roads and Maritime people have actually got, whether we want to continue to use the council, whether we want to do something else; it will absolutely depend on the merits of that situation.

**The Hon. JOHN GRAHAM:** And you have not made that call yet because you want to talk to the expert panel and that is yet to happen.

**Mr STAPLES:** Yes, and I do not think it is going to be a one-size-fits-all approach. I think we will be pretty considered in the way we approach that.

**The Hon. JOHN GRAHAM:** That is useful.

**Mr STAPLES:** It depends on different councils' capabilities, availability of resources and so forth as well.

**The Hon. JOHN GRAHAM:** And the options might be to counsel the RMS or, as with the timber bridges process—and I think you have been up-front about this—it might be about, given you are doing a bit of a job lot around the State, bringing in private sector options.

**Mr STAPLES:** I am happy to ask Mr Wakelin-King whether he has got any thoughts around that. I guess all I can say is there is no policy decision around this at the moment. I think we are still at a very formative stage around it, but I will ask Mr Wakelin-King if he has got any comments to add.

**Mr WAKELIN-KING:** The Fixing Local Roads, I think the secretary has made it very clear about the approach there. In the context of the regional road transfer, we will obviously be guided by the independent panel. It will be a decision of the Government ultimately as to what the panel recommends or would suggest to Government to consider. In terms of any regional road that we do take on as a consequence of any transfer process, then we will make a decision based on its merits of how that road is to be maintained.

If I could come to Fixing Country Bridges, we are very much at the early stages of that program. In terms of how that will be delivered, there are a number of options before us. We are consulting with the local government sector, we are consulting with IPWEA. It could be we do it by way of grant allocation or it could be that we have an indirect involvement on it. Those decisions have not been made and they will be considered in consultation with government, with local government and with other key stakeholders.

**The Hon. JOHN GRAHAM:** That has been very helpful. I just want to check whether we agree on this last point. I think we agree that, while you are yet to work out what this amount is, if this is like the bridges program where—this is the discussion we were having before—as the State takes these on from local councils, repairs them, there will be additional depreciation and maintenance obligations yet to be specified, yet to be worked out. You will talk to the expert panel, but we are not just going to keep maintenance where it is as it has been in the past. Like the bridges program—the fact you have made provisions in that program—there will be provisions in this program for ongoing maintenance above what is happening and depreciation, but you have not yet made those. Do we agree on that or not?

**Mr STAPLES:** I understand the principle you are making and that sounds fine, but it is a bit premature to speculate on how this is all going to land. Clearly, if there are additional costs or expenditure which we think we need to make, then we will run through the budget process in due course in bringing bits forward on that. But we have got a fair bit of fact finding to do at this point in time before we start speculating about how we will manage it. But it is not that we are starting from a zero base of expenditure and suddenly we need to spend all this money. There is a significant amount of money allocated towards this cohort already.

Our first focus will be mainly how can we do that more effectively by grouping some of this, as you talked about before—not necessarily outsourcing but maybe there are some smarter ways of doing some of this maintenance that will give us a better outcome for the same amount of money. That is always a place that we should start.

**The Hon. JOHN GRAHAM:** And I accept there is significant funding going into maintenance, although I would hope you would accept there are very significant problems—exactly the point councils are making when they are talking about these roads; they have fallen out of the level of maintenance that we would all regard collectively as acceptable. That is why this decision has been made.

**Mr STAPLES:** I think that is to give confidence around the process. That is one of the reasons why they are having an independent panel to assess this, so that rather than a he-said, she-said type situation we are going to get some experts in—

**The Hon. JOHN GRAHAM:** Some standard.

**Mr STAPLES:** Yes, to have a quick look at that and we will rely heavily on that process.

**The Hon. JOHN GRAHAM:** Thank you. That has been helpful.

**Mr STAPLES:** We do have a couple of additional responses to some questions on notice that maybe we could clear now rather than carry out of the room, if that is possible. I might ask Mr Fuller to give an update on the no-fare or fare-free days on the Sapphire Coast On Demand service. I think we can clarify that for you.

**Mr FULLER:** We can clarify that there were 528 trips that we got to in the month of August and there were not any fare-free days amongst that.

**Mr STAPLES:** Mr Regan, I believe, has got some update on the Tuggerah commuter car park.

**Mr REGAN:** The question was asked before around Tuggerah commuter car park and how many additional spaces. We are looking at up to 220 additional car park spaces at Tuggerah station.

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

**The CHAIR:** Thank you, Government officers, for your attendance today. The Committee secretariat will be in touch in relation to supplementary questions as well as questions that were taken on notice and not answered subsequently. You will have 21 days to respond with your answers to those questions. Thank you very much. It has been a very informative session for us all. A special thanks to Hansard and also to the Committee secretariat for staying late.

**(The witnesses withdrew.)**

**The Committee proceeded to deliberate.**