

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

**Thursday, 25 February 2021**

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

## **TRANSPORT AND ROADS**

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**The Committee met at 09:30**

### **MEMBERS**

Ms Abigail Boyd (Chair)  
The Hon. Mark Banasiak (Deputy Chair)  
Ms Cate Faehrmann  
The Hon. Scott Farlow  
The Hon. Sam Farraway  
The Hon. John Graham  
The Hon. Mark Latham (via videoconference)  
The Hon. Shayne Mallard  
The Hon. Daniel Mookhey  
The Hon. Mick Veitch

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### **PRESENT**

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

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## **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**



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**The CHAIR:** Welcome to the public hearing for the inquiry into the budget estimates 2020-2021 initial hearings. Before I commence I acknowledge the Gadigal people who are the traditional custodians of this land. I also pay my respects to Elders past, present and emerging of the Eora nations and I extend that respect to other Aboriginals present. I welcome Minister Constance and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of 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 2010. There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In those circumstances witnesses are advised that they can take a question on notice and provide an answer within 21 days.

Minister Constance, I remind you and the officers accompanying you that you are free to pass notes and to refer directly to your advisers seated at the table behind you. Any messages from advisers or members' staff seated in the public gallery should be directed through the Committee secretariat. We expect that transcripts of the hearing will be available on the web from tomorrow morning. Finally, could everyone please turn their mobile phones to silent for the duration of the hearing. All witnesses will be sworn prior to giving evidence. Minister Constance, I remind you that you do not need to be sworn as you have already sworn an oath to your office as a member of Parliament.

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**PETER REGAN**, Acting Secretary, Transport for NSW, affirmed and examined

**HOWARD COLLINS**, Acting Deputy Secretary, Greater Sydney, Transport for NSW, sworn and examined

**The CHAIR:** Today's hearing will be conducted from 9.30 a.m. to 12.30 p.m. with the Minister and then from 2.00 p.m. to 5.00 p.m. with the departmental witnesses, with questions from Opposition and crossbench members only. If required, an additional 15 minutes is allocated at the end of each session for Government questions. 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. JOHN GRAHAM:** Minister, thanks for your appearance. I might start by asking about tolls and the impact that they are having on people in New South Wales. If you are a household in Wollondilly, Camden or Penrith and you are paying \$6,000 a year in tolls, do you accept that that is too much?

**Mr ANDREW CONSTANCE:** The Government introduced the Toll Relief package to assist families in western Sydney. Given that 60 per cent of Sydney's motorists pay \$10 or less a week in tolls, we have obviously put the relief package in place to assist those who pay more than \$25 a week with a full discount on their motor vehicle registration. There is no doubt that it is also against a backdrop of 70 other cost-of-living measures that we put in place to assist families in western Sydney. I ask that you table where that \$6,000 has come from, given your claim.

**The Hon. JOHN GRAHAM:** These are public reports, media reports, specifically in the Herald. They are based on research from AlphaBeta. They are public reports. You would have seen them, Minister. Have you seen them?

**Mr ANDREW CONSTANCE:** I would like you to source the specific document, please. I am not interested in what might appear in a media article.

**The Hon. JOHN GRAHAM:** It is a *The Sydney Morning Herald* article from 19 October 2020.

**Mr ANDREW CONSTANCE:** What is the source document?

**The Hon. JOHN GRAHAM:** Did you see those reports, Minister?

**Mr ANDREW CONSTANCE:** I am aware of a lot of media reports in relation to the building of motorways that are designed to improve the quality of life of people. That is showing in terms of NorthConnex, M4 East and the M8 tunnel. But I would like you to source your document and your claim.

**The Hon. JOHN GRAHAM:** I am happy to table the document.

**Mr ANDREW CONSTANCE:** Thank you.

**The Hon. JOHN GRAHAM:** It is a public report. I am surprised that you have not seen it. I accept that not everyone is paying this and there is some toll relief, but some people are paying \$6,000 a year. Do you accept that that is too much for them?

**Mr ANDREW CONSTANCE:** Again, the point that I would make is that that is why we have the cost-of-living measures across Government—some 70 in all—and the Toll Relief package. I think it is fair to say that—

**The Hon. JOHN GRAHAM:** Yes, but toll relief is \$434 on average, so if you are paying \$6,000—

**The Hon. SCOTT FARLOW:** Point of order: The Minister is trying to finish his answer.

**Mr ANDREW CONSTANCE:** If families are enjoying the benefit of incredible time savings, like a 30 minute reduction in travel time between Liverpool and south Sydney on a motorway that is yet to be complete—which I note the Labor Party strongly opposed—then it is only fair that with those time savings the community is able to have quicker travel times to their places of employment. Of course, I also suggest that if we did not have those tolling concessions in place we would not be able to build that infrastructure generations ahead of time and the existing road network would fail dismally.

**The Hon. JOHN GRAHAM:** And you made that argument publicly—but it is the impact on Sydneysiders. If you are paying \$6,000 now, by the end of the decade you will be paying \$10,000 a year. Is that too much? Do you accept that for some Sydneysiders this is just getting too much?

**Mr ANDREW CONSTANCE:** Sixty per cent of Sydney's motorists pay less than \$10 a week in tolls.

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**The Hon. JOHN GRAHAM:** Yes, not everyone is paying that, but some are: Camden, Wollondilly, Penrith.

**Mr ANDREW CONSTANCE:** But, again, that is based on usage. We have also seen a significant uptake in public transport usage, particularly from the south-west, as well.

**The Hon. JOHN GRAHAM:** You do not accept that that is too much?

**Mr ANDREW CONSTANCE:** I think the point that I would make is that the Labor Party, when in government, delivered the nation's highest toll and the longest tolling concession. A 49-year tolling concession on the Eastern Distributor delivered by the Labor Party.

**The Hon. JOHN GRAHAM:** You can refer back to those documents, sure.

**Mr ANDREW CONSTANCE:** Tunnel funnels everywhere, including the city of Sydney, where you absolutely steered those communities directly into the Cross City Tunnel—which has gone broke twice, courtesy of Labor. I do not think the Labor Party is in a strong position to talk—

**The Hon. JOHN GRAHAM:** And taxpayers have not paid a cent. You would agree with that?

**The Hon. SCOTT FARLOW:** Point of order—

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

**The CHAIR:** Excuse me, Minister. I am going to hear the point of order.

**The Hon. SCOTT FARLOW:** The Minister is trying to give the Hon. John Graham an answer to his questions but the Hon. John Graham continues to ride over the Minister as he is answering. I ask that you call him to order and get him to be quiet while the Minister is speaking.

**The CHAIR:** I will allow a certain amount of give and take. There seem to be interruptions going both ways, but I will remind all members to give witnesses a chance to answer.

**The Hon. JOHN GRAHAM:** Minister, one of the reasons those tolls keep going up is the 4 per cent escalator. It has been subject to quite a bit of criticism. What is the magic of the 4 per cent? Why are these tolls going up 4 per cent? What is the logic? What is the magic of that 4 per cent number, from your point of view?

**Mr ANDREW CONSTANCE:** Well, when Labor was in office, you put in place the highest tolling regime on any motorway in the country and an exit ramp to Military Road.

**The Hon. JOHN GRAHAM:** Thanks for the history lesson. I am asking about the 4 per cent.

**Mr ANDREW CONSTANCE:** I do not think the Labor Party and their silly campaign around this in the full knowledge, particularly given that you built five of seven motorways in Sydney—toll roads. You know full well that this city needs these motorways and they have to be paid for.

**The Hon. JOHN GRAHAM:** You call this a silly campaign.

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

**The Hon. JOHN GRAHAM:** Do you accept that people are hurting from these tolls or are their concerns just silly?

**Mr ANDREW CONSTANCE:** The point I would make is: We put in place a cost-of-living measure to assist the families of western Sydney and I will repeat that. You acknowledged that before, Mr Graham, so I am grateful for you acknowledging it.

**The Hon. JOHN GRAHAM:** Yes, but \$434 off your rego just does not measure up compared to \$6,000 or—it will be \$10,000 in tolls by the end of the decade. It is a drop in the ocean.

**Mr ANDREW CONSTANCE:** You are refusing to acknowledge the other cost of living measures that the Government has put in place through Service NSW. That is what you are refusing to acknowledge.

**The Hon. JOHN GRAHAM:** Where did the 4 per cent come from, though? What is the logic? Why is it going up 4 per cent?

**Mr ANDREW CONSTANCE:** Again, this is very much the means of financing the infrastructure, generations ahead of schedule. We continue to provide a free road alternative—unlike what Labor did in office with the Cross City Tunnel—and we provide those free road alternatives to people. People can still use the existing road network. Their travel times obviously are longer but that option is still there. We are also putting in place as many public transport measures as we can.

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**The Hon. JOHN GRAHAM:** I am asking about the 4 per cent, though. In the WestConnex business case that 4 per cent was based on the average weekly earnings index. That is why it is 4 per cent. The Government thought wages would be going up 4 per cent. No-one's wages are going up 4 per cent. Your budget says they are set for 1.25. Public sector wages are going up 0.3.

**Mr ANDREW CONSTANCE:** Public sector wages under your administration when you were last in government went up by 6 per cent.

**The Hon. JOHN GRAHAM:** No-one's wages are going up 4 per cent. Why are the tolls going up 4 per cent?

**Mr ANDREW CONSTANCE:** Well, Mr Graham, I just indicated to you that the financial instruments that are used to finance the infrastructure are done through tolling concessions. You might argue this, but you come from a party that delivered the longest tolling concession in the nation's history and the highest toll.

**The Hon. JOHN GRAHAM:** Thanks for the history lesson.

**Mr ANDREW CONSTANCE:** It is fact. It is not history; it is fact, and motorists are still paying. Do not go out on any public platform without putting your hand up and being honest about the actions of the Labor Party.

**The Hon. JOHN GRAHAM:** Yes. Look, I am not opposing tolls. I am opposed to what the Premier called toll mania. It is the 4 per cent escalators—

**Mr ANDREW CONSTANCE:** Sorry, you are not opposed to tolls?

**The Hon. JOHN GRAHAM:** It is the 4 per cent escalators.

**Mr ANDREW CONSTANCE:** I have seen your policy. Could you please—

**The Hon. JOHN GRAHAM:** It is what is happening on the M5 East. I want to ask about that, Minister. An extra \$77,000—

**Mr ANDREW CONSTANCE:** Just hang on a sec, here. Could I please respond to—

**The Hon. JOHN GRAHAM:** No. I want to ask you—

**Mr ANDREW CONSTANCE:** Okay. If you are going to stand here and make statements, I am going to ignore you because you are misleading the Committee. You have issued a statement saying that you are going to—

**The Hon. DANIEL MOOKHEY:** Point of order—

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

**Mr ANDREW CONSTANCE:** —abolish the 4 per cent escalation on contracts associated with tolls, John Graham.

**The CHAIR:** Apologies, Minister.

**Mr ANDREW CONSTANCE:** What does that mean—

**The CHAIR:** Excuse me, Minister. I am the Chair and I am asking you to please pause for a second. Thank you. I will hear the point of order.

**The Hon. DANIEL MOOKHEY:** Apart from the fact that the Minister is speaking over you, Chair, the Minister was speaking over my colleague when he had not even started asking the question. He should be given the right to ask his question uninterrupted by the Minister.

**The CHAIR:** Thank you. I remind the Minister that, although you may disagree with some of the question, you will have your chance in your answer to say that. If you could let the question be asked in full that would be very useful.

**Mr ANDREW CONSTANCE:** Madam Chair, I would like to be able to give an answer.

**The CHAIR:** Understood. We will also try and facilitate that.

**Mr ANDREW CONSTANCE:** Great. Let us be clear on that.

**The CHAIR:** Thank you. Mr Graham, do you want to complete your question?

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**The Hon. JOHN GRAHAM:** I will put my question to the Minister. The M5 East was a free road for 20 years. As the tolls come on to M5 East, there is now an extra 7,500 vehicles on Forest Road and on Stony Creek Road at Bexley. Traffic has ground to a halt. It is impacting on businesses. Do you have concerns about the thousands of trucks and cars you have driven onto suburban streets in these areas of Sydney?

**Mr ANDREW CONSTANCE:** Well, first of all, just for the clarity of being unable to answer your last question, the M2 and Eastern Distributor signed up to by Labor had a 4 per cent escalation rate. Maybe you might want to explain that to the community. In terms of the free road alternatives around the new M8 tunnel, which had to be built to retrofit the M5 East that Labor failed so dismally to build in the first place because you made it two lanes and made it a car park from day one—as a Government, we had to come along and build an extra tunnel because you did not build it properly in the first place. Guess what? It costs.

**The Hon. JOHN GRAHAM:** That is a point you have made repeatedly, Minister.

**Mr ANDREW CONSTANCE:** Right, and the 30 minutes travel saving time from Liverpool to south Sydney—

**The Hon. JOHN GRAHAM:** So, let me ask you this question—

**Mr ANDREW CONSTANCE:** So, we took measures at Stony Creek Road and Forest Road to start to alleviate the pressure where some people do choose the free road alternative, and that includes clearways. I have also indicated to those communities that we will continue to review that situation and that is exactly what we are going to do.

**The Hon. JOHN GRAHAM:** So, Minister, you have talked about the M5 East. There were 100,000 cars travelling that road per day when it was a free road.

**Mr ANDREW CONSTANCE:** Sorry?

**The Hon. JOHN GRAHAM:** You have spent \$4.3 billion—

**Mr ANDREW CONSTANCE:** I do not think you could say the M5 is a free road, Mr Graham. This is the problem with Labor. Therein lies your mistake and the premise of your question being wrong.

**The Hon. JOHN GRAHAM:** Minister, I am asking you a question. You are interrupting.

**Mr ANDREW CONSTANCE:** There is no such thing as a free road, Mr Graham, like a free lunch.

**The Hon. JOHN GRAHAM:** So, 100,000 cars drove the M5 East. You have spent \$4.3 billion—

**Mr ANDREW CONSTANCE:** Retrofitting a tunnel, and guess what?

**The Hon. JOHN GRAHAM:** You have got two tunnels. There are now less cars using both those roads. You have put them on suburban streets.

**Mr ANDREW CONSTANCE:** I take issue with that.

**The Hon. JOHN GRAHAM:** Well, those are the facts.

**Mr ANDREW CONSTANCE:** You cannot—in the middle of a global pandemic where we have seen traffic volumes massively drop because of the pandemic with people not entering the city—make that claim. That is just stupid.

**The Hon. JOHN GRAHAM:** Well, those are the facts currently.

**Mr ANDREW CONSTANCE:** No, they are not facts. They are just stupid claims by you.

**The Hon. JOHN GRAHAM:** They are also the WestConnex business model. They are the traffic forecasts in your Government's WestConnex business model.

**Mr ANDREW CONSTANCE:** Exactly, which is why there were measures taken on those roads in advance of the opening of the tunnel. Could I just also indicate to you, Mr Graham—

**The Hon. JOHN GRAHAM:** You spent \$4.3 billion and less people will use the road. There are more people on streets.

**Mr ANDREW CONSTANCE:** Okay. If you are not going to let me answer your question then this is going to be a very long three hours.

**The Hon. JOHN GRAHAM:** How is that possible?



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**Mr ANDREW CONSTANCE:** Are you going to let me answer the question? There has been a 36 per cent reduction in accidents on the M5 East since the M8 tunnel has gone in. You do not seem to want to recognise that. At the same time, we have reduced massively the travel time savings on both the M5 East and the M8. We also, of course, have the cashback on the M5. Your suggestion that the M5 does not cost is both disingenuous and misleading of this Committee and the community. We are very sensitive to the cost-of-living pressures of families in south-west Sydney, like we are right around the State. That is why I again reiterate that the Government has put the Toll Relief package in for families, along with 70 other cost-of-living measures, to try and assist with the cost of living associated with the infrastructure financing of toll roads.

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

**The Hon. DANIEL MOOKHEY:** Hello, Minister. Thank you for your appearance today. I also thank you officials for their appearances today as well. Minister, your department is acquiring 26 hectares of land to build a train station in Orchard Hills. Why are we acquiring so much land?

**Mr ANDREW CONSTANCE:** Again, the point that I would make in relation to Orchard Hills in working with those residents is that it is not just the footprint of the station that is required there. It is going to be a major construction site for the building of the Western Sydney Airport metro. As part of that, we need the space to be able to put equipment such as tunnel-boring machines and other equipment that goes into the building of tunnels through that area.

**The Hon. DANIEL MOOKHEY:** Minister, can you guarantee the residents of Orchard Hills will get a fair and reasonable offer for their properties?

**Mr ANDREW CONSTANCE:** I can guarantee that the requirements in relation to the just terms acquisition Act will be adhered to and people will receive market value. I want to particularly acknowledge and thank those residents who have to give up so much in order to have the public good delivered in terms of that new train. It is not easy to acquire someone's property knowing what they have committed to in terms of building their homes, living in those homes, the memories associated with those homes, and we are asking those residents to forgo that so that a train line can service that incredible parklands city.

**The Hon. DANIEL MOOKHEY:** Have you identified how many residents will lose their homes to the project?

**Mr ANDREW CONSTANCE:** Yes, the metro team will be able to respond to that with an answer to you this afternoon, but I believe it is around the number of 16 offhand, but I will double-check and get you the exact number.

**The Hon. DANIEL MOOKHEY:** Thank you, Minister, I appreciate that. Minister, will the fair and reasonable offer, or the market value process you described, reflect the sales in the area, including Claremont Meadows which is 500 metres away?

**Mr ANDREW CONSTANCE:** The values that will be provided in terms of those residents—what we have agreed to is to provide the financial assistance for the engagement of lawyers and also the engagement of the independent valuers to assess the market value in those areas. The valuation methods that will be used will, again, be required to adhere to the just terms acquisition Act.

**The Hon. DANIEL MOOKHEY:** I am sure they will because you have no other choice than to obey the law, but the question is: Will the comparison that you will use to determine market value include Claremont Meadows?

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

**The Hon. DANIEL MOOKHEY:** It is not, Minister.

**Mr ANDREW CONSTANCE:** We have said that we are going to provide market value—

**The Hon. DANIEL MOOKHEY:** It is a question that these families are asking. Do not insult the families who want to know whether or not you are going to include Claremont Meadows. We do not need to make this political. It is a simple question, Minister.

**The Hon. SCOTT FARLOW:** You are making it political.

**The CHAIR:** Order! Minister, can you answer the question please?

**Mr ANDREW CONSTANCE:** They could assess market values in Bega and make that judgement too. What a silly question!

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**The Hon. DANIEL MOOKHEY:** Are you implying that you are going to choose market values in Bega, Minister? Just answer the question.

**The Hon. SCOTT FARLOW:** Come on, that is ridiculous, Daniel.

**The CHAIR:** Order! Was that a question?

**The Hon. DANIEL MOOKHEY:** Yes. Are you going to include Claremont Meadows or not?

**Mr ANDREW CONSTANCE:** You really are quite silly. I would just make this point, and I say this directly to the residents and I have said this on 2GB and I make this clear: We are covering the cost of engaging independent valuers from the metro team to assist those residents to ascertain true market value in terms of their properties. As I said, it is not an easy process, but we have the law. The law has been in place right throughout the term of this Government in which we have acquired hundreds of homes to build infrastructure. We are not going to be speculative in future zonings and trying to derive value on that basis, which is what I believe the Labor Party is suggesting in its questioning here this morning. What I will do—

**The Hon. DANIEL MOOKHEY:** I am just about to ask you that, Minister. Let me just ask you that.

**The Hon. SCOTT FARLOW:** Let the Minister finish, Daniel.

**The CHAIR:** Order!

**The Hon. DANIEL MOOKHEY:** You will have the opportunity. My time is limited. The Minister will make his political point in a minute. The concern that has been raised with us by these families is that you are land-banking at Orchard Hills, and you will then rezone it from rural to residential and commercial and then rake in the millions. Do you want to respond to the community's concerns that your intention here is to rezone the land from rural to residential to commercial and make a lot of money?

**Mr ANDREW CONSTANCE:** Mr Mookhey, I reiterate: We have engaged independent valuers to be able to assess the market value. There is also the engagement with the Valuer-General, and we have the just terms acquisition Act. I ask you to become accustomed to that legislation and understand the process and the law.

**The Hon. DANIEL MOOKHEY:** Minister, you agree with me, do you not, that it would actually be unconscionable from your department to profit from rezoning land you forcibly acquired from Orchard Hills families?

**Mr ANDREW CONSTANCE:** I will take your question as a stupid statement.

**The Hon. DANIEL MOOKHEY:** Minister, let us talk about the Jannali commuter car park. Yesterday your department issued an ultimatum to the Sutherland shire to hand up some land there to build that commuter car park. Why did you not just resolve your negotiations with Sutherland Shire Council prior to you knocking on the doors of Jannali residents and telling them that you would be acquiring their land?

**Mr ANDREW CONSTANCE:** This is a simple answer, and I would ask you to allow me to answer it. For 18 months there was engagement between Transport for NSW and Sutherland council. In October last year I wrote a letter to the mayor to indicate that after that frustrating process, where there was no assistance from the council to resolve this issue, we would have to, obviously, proceed in terms of looking at how we would build those 200 spaces, given the commitment that we have made to the Sutherland community and Jannali. I hate the fact that we have to acquire a small number of homes to be able to build this car park when the reality is that Sutherland shire has a perfectly good council car park along the strip shops in Jannali and for whatever reason the council is not willing to give of that asset to assist this situation.

Yes, we will, obviously, compensate the council. So we have asked them of that in the interests of those residents. It is our preference that we build the commuter car park on the council car park. If that can be resolved, which we have asked the council to look at, we will. I had the mayor of Sutherland shire in my office last week. He presented a number of options in relation to alternatives, and in one case it would have resulted in more home acquisitions. So we were not going to agree to that. So there is a location, which we would like the council to be able to give up, and we are going to wait on the advice of the council.

**The Hon. DANIEL MOOKHEY:** Minister, surely you and your department could have saved these nine families a lot of heartache had you simply resolved all these conversations with councils before sending your department to knock on their doors and tell them that they are going to lose their homes.

**Mr ANDREW CONSTANCE:** I answered your question—that there have been 18 months of negotiations. Sorry, you are misleading the Committee. I indicated there had been 18 months of negotiation between the council and Transport for NSW.

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**The Hon. DANIEL MOOKHEY:** Minister, the first these residents found out about your intentions was on Thursday 11 February when they got a doorknock. I do not dispute that you have been in negotiation with the council. What I am asking on behalf of these families is: Why did you not just wrap those negotiations up before you knocked on their door?

**Mr ANDREW CONSTANCE:** Would it not be better that we actually knock on someone's door in relation to this than give it to Daniel Mookhey to go to *The Sydney Morning Herald* with and let them find out through the newspaper? That is the appropriate process: knocking on someone's door. I do not know how else you want it communicated to people. What—do we put it in the media first? Silly question.

**The CHAIR:** Thank you. We will now move to the Hon. Mark Banasiak for questions.

**The Hon. MARK BANASIAK:** Thank you, Chair, and thank you, Mr Constance, for appearing. Minister, on 18 November I asked you a question about the taxi hardship fund, as it was revealed in the point to point inquiry that over \$100 million had not been spent because the criteria was too exclusionary. I specifically asked where that \$100 million was, particularly during COVID, and what is your detailed planned use for that \$100 million. Your response went to great lengths to explain to me what the assistance panel was and who it comprised, and did not actually answer where the \$100 million was. Minister, can we agree that was a fairly rubbish response from the onset and move forward?

**Mr ANDREW CONSTANCE:** Are you going to make silly statements too? I mean, you know full well through your own inquiry—

**The Hon. MARK BANASIAK:** That is not a silly statement.

**Mr ANDREW CONSTANCE:** You know full well through your own inquiry that the industry, through the taxi council, have actually asked Government to see what we can do to put them on a sustainable footing moving forward. You know that there has been a Sue Baker-Finch report. The industry has now been provided with a copy of that report, and as part of that they have asked if that \$100 million can go into making the industry sustainable in the long term, which includes—

**The Hon. MARK BANASIAK:** So why did your answer not include that?

**Mr ANDREW CONSTANCE:** Because we were in the midst of actually doing that inquiry. We actually were in the midst of preparing—

**The Hon. MARK BANASIAK:** There was no mention of the Sue Baker-Finch inquiry in your answer. You could have just—

**Mr ANDREW CONSTANCE:** Again, that work is being undertaken. One thing I think I might have indicated at the time: I wrote to the industry before the last election in response to its request in relation to getting onto a long-term, sustainable footing, and that is going to be where we go. So in relation to that \$100 million, it has been collected on behalf of the industry by government, and we are going to resolve the best way forward in terms of the use of that. That might include, for instance, the acquisition of country plates to deal with one of the biggest challenges in terms of the industry, and that is the sustainability of the industry in the regions. So we will continue to work with the industry, and that is where things are at.

**The Hon. MARK BANASIAK:** Why was the criteria for the hardship funds deliberately set so high?

**Mr ANDREW CONSTANCE:** Again, I refer you to my previous answer in relation to the hardship fund and those requirements. I think I indicated to you last time that there was the engagement with the Taxi Council and the engagement with Treasury in relation to that. The main thing is, what we want to do now—and I would encourage you to read the Sue Baker-Finch report because you will see that as part of that it is designed very clearly to assist those who bought in at the peak of the market and we will continue to engage industry. One of the things I have done with this report is not put out a Government response because I wanted the industry to get their head around the Sue Baker-Finch report and work with the Government closely on the best way forward. That is why I am not going to announce any Government position until the industry comes forward with their response.

**The Hon. MARK BANASIAK:** We heard quite clearly from the evidence of Dr de Kock that it became quite obvious quite early that the criteria was too exclusionary. Why wasn't there a pivot made at that point and cases that had previously been rejected reassessed based on a fairer criteria? We heard two-thirds were knocked back.

**Mr ANDREW CONSTANCE:** Well, \$150 million has been issued to the sector. The sector has come forward with another solution in relation to how this might work. One of the main things it is looking for in this is obviously a change in the asset class, which is where this enshrined property right has become a significant

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challenge for the industry, particularly given the disruption we have now seen courtesy of technologies and advancements in ridesharing. I think it is important that, by working with the industry through the Taxi Council, we have a look at that. It is going to require a law change at some point in relation to how that \$100 million is issued. That is being worked on at the moment.

**The Hon. MARK BANASIAK:** Do you accept, though, that two-thirds being knocked back at the onset probably wasn't the best outcome for the industry at that time?

**Mr ANDREW CONSTANCE:** I accept that \$150 million went into the pockets of licence plate owners to assist with the loss in lease revenue associated with the plates. That is why the Government—and there was no other jurisdiction in the world that made available this degree of funding to assist the industry through transition: no-one. Not another State has come remotely close to the way in which we are trying to work through a long-term sustainable footing for the industry: \$150 million has already gone out and, obviously, as we work through this process now, we do it in a sustainable way so that the industry has a long-term future.

**The Hon. MARK BANASIAK:** If we go to the funding announcement you made for COVID, why did you wait so long to release that money?

**Mr ANDREW CONSTANCE:** We didn't.

**The Hon. MARK BANASIAK:** Why did you wait until a large proportion of plates were being handed in and put on the Roads and Maritime Services [RMS] shelf? Why did you wait so long?

**Mr ANDREW CONSTANCE:** That is a matter of your opinion but there is very clear—

**The Hon. MARK BANASIAK:** Well, it is a matter of fact.

**Mr ANDREW CONSTANCE:** I don't think—

**The Hon. MARK BANASIAK:** It was one of the last support packages for community.

**Mr ANDREW CONSTANCE:** I think the Government's response to COVID, if you look at the other States and other jurisdictions around the world, has been world-class, and as part of that—

**The Hon. MARK BANASIAK:** I think Victoria offered around \$30 million for their point-to-point industry.

**Mr ANDREW CONSTANCE:** Well, do you know what? I meet with the Taxi Council quite regularly and they have not echoed what you are saying right now.

**The Hon. MARK BANASIAK:** Okay. Can we talk about the Taxi Council's role on the hardship panel? Because there seems to be a bit of conflict of opinion as to what its role was. In the inquiry Dr de Kock stated that it was an active member; however, the deputy CEO has come out publicly and said, "My role on the panel was an observer. This means that I was not involved in any of the decisions or voting processes." Can you help resolve that conflict of opinion for us? Was the Taxi Council—

**Mr ANDREW CONSTANCE:** Don't you think, Mr Banasiak, that it would be a conflict of interest if they did vote because they are giving it directly to their members' pockets?

**The Hon. MARK BANASIAK:** The evidence from Dr de Kock suggests that they were an active member and did participate in the deliberations.

**Mr ANDREW CONSTANCE:** Mate, we had them in the room. I mean, seriously, they have been in the room the whole time. At no point have I sought to, in any other form, try to engage with the appropriate processes of transparency and accountability around supporting this industry and, as part of that, engaging their leadership in the way that I have. I could have shut the door on them five years ago. I didn't. I recognise the incredible benefit derived from having a good, healthy, long-term and sustainable taxi industry in this State, and I particularly know it coming from a regional area. We know into the future that we have to better integrate the taxi industry into the transport network in the regions. We do need to look at the asset class. We do need to look at how it is regulated, particularly in the rank-and-hail market. And that is what we are going to do.

**The Hon. MARK BANASIAK:** Just to clarify, did NSW Taxi Council set the criteria or assist in setting the criteria for the hardship fund? These are the things that are in dispute.

**Mr ANDREW CONSTANCE:** They were engaged. This is budget estimates. You run your inquiry. The point that I would make is that we have always sought to proactively engage with the taxi industry. You need to acknowledge that there has not been a scheme in generosity equivalent to this anywhere in the entire whole world.

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**The Hon. MARK BANASIAK:** Minister, are you responsible for transition of local government roads to State roads or is that something that Minister Toole—

**Mr ANDREW CONSTANCE:** It is probably better directed to Minister Toole. He is responsible for regional New South Wales where those transitions will be taking place.

**The Hon. MARK BANASIAK:** Okay, I will save my questions for that Minister.

**The CHAIR:** I will pick up on our point-to-point inquiry recommendations and the point about that industry assistance package. As you say, it was \$250 million but only \$142 million of that was for those experiencing hardship and financial distress. And of that \$142 million, only \$42 million was spent. At what point—

**Mr ANDREW CONSTANCE:** Sorry, \$42 million? You are forgetting the \$96 million that went out in the initial stage.

**The CHAIR:** No, our inquiry found that \$42 million—

**Mr ANDREW CONSTANCE:** You were saying only \$42 million has gone out—is that what you are saying?

**The CHAIR:** Of the hardship fund.

**Mr ANDREW CONSTANCE:** Yes, the hardship component. But there was \$250 million taken out of the users of rideshare and taxi services to fund this.

**The CHAIR:** That is right. So the public have been giving an additional amount of money to—

**Mr ANDREW CONSTANCE:** Put the industry on a sustainable footing.

**The CHAIR:** Correct.

**Mr ANDREW CONSTANCE:** Right. And that is what we are still working through.

**The CHAIR:** Now we are looking at the actual hardship component of that \$250 million, which is \$142 million—correct?

**Mr ANDREW CONSTANCE:** Well, if that is what you—

**The CHAIR:** It was originally allocated \$142 million.

**Mr ANDREW CONSTANCE:** You are asking the question.

**The CHAIR:** Fine. Of that, only \$42 million was actually disbursed to those people suffering financial distress. What we heard in our inquiry was that there was a number—so two-thirds were knocked back—but a number of people were saying that the application process was too difficult. Not only was the hurdle too high to get the funding but the application process was too difficult. Many were really overwhelmed by the amount of paperwork necessary. At what point were you aware that the hardship scheme was not working as intended?

**Mr ANDREW CONSTANCE:** I had kept a watching brief on this right through. This is where and why the Taxi Council came to me prior to the last State election to say, "We need to try to get the industry on a further long-term sustainable footing." The industry is structured wrong. That is why, ultimately, we put payments out in the initial stages and then we had the hardship fund in place. Yes, there is still hardship in the industry. I am the first to put my hand up in that regard that there is a challenge. That is why I welcome your inquiry but it is also why I commissioned Sue Baker-Finch to do her inquiry. That report is now in the hands of industry for them to have a look at. The key element out of this, as you will see from that report, is that there is absolutely every intent to go back to particularly to the cohort of people to whom you refer to see what can be done.

**The CHAIR:** Okay, I appreciate that. So that \$100 million that has been earmarked, it is just sitting waiting.

**Mr ANDREW CONSTANCE:** The issue with it is that when the industry had asked for us to see what can be done to look at it further—I mean, the industry is actually asking for more than \$100 million; they want ongoing collection of the passenger service levy because they want to be able to fully fund a complete buyout of the plates. Again, once you see the Sue Baker-Finch report, which obviously you have not yet, but I invariably expect you will, you will see you have to strike that balance.

**The CHAIR:** Is there a risk, though, that that \$100 million that was set aside to relieve the financial distress of a broad range of participants in the industry will now go towards plate buyback instead of for the original purpose?

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**Mr ANDREW CONSTANCE:** Again, the problem and the challenge has been that because they were traded in an open market fashion, the peak of the market was around 2012 before Uber arrived and the plates were trading at an enormously high value. Some people entered that market knowing there was a risk but invariably they went into that market and have been left with enormous hardship. That is against someone who might have had a plate for over 20 years where they have received a return on their initial capital investment and are now drawing an ongoing wage through the lease revenue of the plate. The degree and the difference in those two examples are what had to be worked through in terms of what is described as "hardship". So I think the point out of that is we do know that there are people who obviously have had that challenge in terms of when they bought their plates and what the capital of those plates is now worth. The market of course has dropped because of the innovation disruption of organisations such as Uber. We know that, and that is why we will continue to work through this process to try and support those people.

**The CHAIR:** Are we still collecting the passenger service levy?

**Mr ANDREW CONSTANCE:** Yes.

**The CHAIR:** Even though we have met the \$250 million amount?

**Mr ANDREW CONSTANCE:** Again, there was a sunset clause, I think from memory, under the legislation.

**The CHAIR:** What would the additional amount be used for that is now being collected?

**Mr ANDREW CONSTANCE:** Again, the point out of it—we are looking to work through that right now, as your inquiry no doubt discovered—is that the industry cannot be sustainable in the long term given its asset class structure currently.

**The CHAIR:** Will you give an assurance that that money that the public are paying will actually go towards hardship funds for the taxi industry and not used for other purposes?

**Mr ANDREW CONSTANCE:** Guess what? There are legal protections; it is called the law. The legislation is in place.

**The CHAIR:** You are in charge of the law in the relevant areas, but—

**Mr ANDREW CONSTANCE:** Hang on a second. Have you got evidence of your claim? No. It is a silly—

**The CHAIR:** It was not a claim. I asked you for an assurance. Do not tell me it is silly.

**Mr ANDREW CONSTANCE:** It is silly to suggest—

**The CHAIR:** I asked a simple question.

**Mr ANDREW CONSTANCE:** It is absolutely an absurd proposition.

**The CHAIR:** If it is that silly, you can just give me an assurance. You can say, "Yes, of course it will be used towards"—

**Mr ANDREW CONSTANCE:** Of course it is going to be used to support the industry. That is why it is being collected. It is the L-A-W, law.

**The CHAIR:** Thank you. Let us turn to ferries, which is a favourite topic of ours.

**The Hon. SHAYNE MALLARD:** You do not like public transport, we know that.

**The CHAIR:** I love public transport. Minister, in relation to the Manly ferries, which, as you know, has been causing a lot of distress for a lot of people, the idea of—

**Mr ANDREW CONSTANCE:** Not really. The customer satisfaction is 99 per cent. So do not mislead the Committee.

**The CHAIR:** I am talking about the Manly ferries.

**Mr ANDREW CONSTANCE:** Yes, customer satisfaction is 99 per cent.

**The CHAIR:** They love the Freshwater fleet.

**Mr ANDREW CONSTANCE:** Do you love the CO2 emissions of the Freshwater fleet? I am interested in how The Greens can justify supporting the diesel particulates that are spewed out of those ferries, which are now 40 years of age—

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**The CHAIR:** I do not think we are talking about Greens policy—

**Mr ANDREW CONSTANCE:** —and you have a green policy on public transport. So there is a bit of hypocrisy going on.

**The CHAIR:** We are talking about the privatisation of our ferries.

**Mr ANDREW CONSTANCE:** Privatisation?

**The CHAIR:** Can we just talk about that?

**Mr ANDREW CONSTANCE:** Sure.

**The CHAIR:** Your proposal to slash the Freshwater fleet and replace it, does that not involve an extra level of privatisation because those new ferries will be owned by Transdev?

**Mr ANDREW CONSTANCE:** No, we have a franchise agreement with Transdev. I really do not want to get into a philosophical argument about who owns what and where under a franchise arrangement. The point out of it is that we have seen the commuters of Manly move to faster vessels. In fact, when we put the B-Line in place, the double-decker buses, we saw a 15 per cent decline in ferry patronage because people moved to the buses. People want to get to town quickly. I would like them to get to town in new vessels which do not spew as much diesel particulates, which is bad for our health but, of course, also bad for the environment—which The Greens now seem to think what a wonderful initiative.

**The CHAIR:** I have not said anything about that.

**Mr ANDREW CONSTANCE:** You have not? Your friends in the northern beaches have been.

**The CHAIR:** Fine. So the current ferries are owned by the Government and leased out to Transdev for use. Is that correct?

**Mr ANDREW CONSTANCE:** From memory, there is an eight-year contract. I do not know if Peter Regan wants to add to it.

**The CHAIR:** We might pick that up in the afternoon then.

**Mr ANDREW CONSTANCE:** The Acting Secretary is here, so why do we not actually work through how a franchise works and waste everyone's time?

**The CHAIR:** No, I do not think we ought to. I think I know full well how a franchise works.

**Mr ANDREW CONSTANCE:** Then why are you asking this question?

**The CHAIR:** Because it is privatisation by stealth, don't you think, Minister?

**Mr ANDREW CONSTANCE:** No, I do not.

**The CHAIR:** We have had this argument before about what privatisation is. Why don't we turn to climate change and emissions? I think that is a really good segue. What are you doing to incentivise the uptake of electric vehicles, cars?

**Mr ANDREW CONSTANCE:** Incentivise? One of the key things that is important in this regard is that if you have scale, the cost of electric vehicles comes down. So what Australia needs to do as a country in relation to electric vehicles is have a second-hand car market, and that is best delivered by fleet procurement of government. So that is one strategy. Secondly, as you know, there is an assessment going on in relation to road user charges in relation to the loss of fuel excise brought about by the advancement of electric vehicles, but there will also need to be a whole raft of measures to assist industry, to assist people who want to acquire electric vehicles into the future to deliver scale. Therein lies the challenge for government.

**The CHAIR:** That loss of a fuel excise, that is a furphy, is it not, that argument?

**Mr ANDREW CONSTANCE:** No, because a fuel excise is collected nationally and it goes back into delivering better roads.

**The CHAIR:** That is right, it is collected nationally and it is not earmarked for road maintenance.

**Mr ANDREW CONSTANCE:** Yes, but the problem is that electric vehicles do not run on petrol.

**The CHAIR:** I am well aware; I own one, thank you.

**Mr ANDREW CONSTANCE:** Therefore, the tax is applied to the petrol, and because the petrol will not be there because they are electric, there is a loss in revenue to be hypothecated—

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**The CHAIR:** At a Federal level, that is correct.

**Mr ANDREW CONSTANCE:** —hypothesized into the road infrastructure that allows electric vehicles, allows petrol vehicles to move around.

**The CHAIR:** But the electric vehicles do not create the same health costs and costs to the environment, so you are not capturing that. So surely electric vehicle cost is a totally different ball game.

**Mr ANDREW CONSTANCE:** I think that is probably exciting, and what a wonderful initiative. I think the lights have gone on.

**The CHAIR:** Sorry, I am not quite sure what you are getting at.

**Mr ANDREW CONSTANCE:** Well, I support what you are saying. I think it is wonderful that electric vehicles are going to stop the respiratory illness of people in Sydney and those types of things.

**The CHAIR:** That is right. So would we not consider that when we are thinking about overall budgeting?

**Mr ANDREW CONSTANCE:** Yes.

**The CHAIR:** Thank you. I will move back to the Opposition.

**The Hon. DANIEL MOOKHEY:** Minister, you recently decided to spend \$830,000 of taxpayers' money to remove your respected departmental secretary, Mr Staples, as the head of Transport for NSW. When did you make that decision?

**Mr ANDREW CONSTANCE:** I think that is all in the public domain and I stand by the statement I issued in relation to Mr Staples, and I really do not have anything further to add.

**The Hon. DANIEL MOOKHEY:** I appreciate that and I appreciate the public explanation that you have made. But the question was when did you make the decision, and you have not yet explained that publicly.

**Mr ANDREW CONSTANCE:** Last year.

**The Hon. DANIEL MOOKHEY:** When, Minister?

**Mr ANDREW CONSTANCE:** I would have to go back and have a look at my time frame on that.

**The Hon. DANIEL MOOKHEY:** Can you take that on notice?

**Mr ANDREW CONSTANCE:** I am happy to.

**The Hon. DANIEL MOOKHEY:** Thank you very much. Minister, the Premier has said that you made this decision alone. Did you seek the Premier's permission to terminate Mr Staples?

**Mr ANDREW CONSTANCE:** Again, everything I have said in relation to this is on the public record. One of the key things that this agency has got to address is the Evolving Transport program. I am not happy about where it is at currently. An organisation restructure where we wanted to bring RMS into an integrated transport operation is something which is really important to me because I think that that is the future of transport, and it was happening too slowly. I think we, as I said in my statement, have a new direction to follow and I stand by what I said in relation to Mr Staples. He is one of the most experienced public works project managers this country has ever seen and I am hopeful that into the future he will be engaged in that fashion. But as for the direction and leadership of the agency and what needs to happen, we are going into a new era and a new direction.

**The Hon. DANIEL MOOKHEY:** I, too, respect Mr Staples, which is why it was a surprise when you decided to terminate him. But just to follow up on your answer, you said you were dissatisfied with the way the Evolving Transport project was going. Was that the reason why Mr Staples was removed?

**Mr ANDREW CONSTANCE:** I stand by what I said publicly.

**The Hon. DANIEL MOOKHEY:** Yes, but that is not my question. My question was, was the reason he was removed because you were dissatisfied—

**Mr ANDREW CONSTANCE:** I stand by my answer to your question.

**The Hon. DANIEL MOOKHEY:** Sure, but given that he was officially fired for no reason and you are now telling us that you were dissatisfied with the evolved transport project, the logical question is: Was he fired for a reason or was he fired for no reason?

**Mr ANDREW CONSTANCE:** Again, you have a habit of asking silly and illogical questions. I have now endured this for six years with you, Mr Mookhey. I made clear through my public statement that we are changing the direction in the agency, which does require a change in leadership.



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**The Hon. DANIEL MOOKHEY:** Did you seek the permission of the Secretary of the Department of Premier and Cabinet before you unilaterally terminated Mr Staples?

**Mr ANDREW CONSTANCE:** I am not going to go into the ins and outs in relation to this. I have made it clear: I stand by my statement and you should go and read it again.

**The Hon. DANIEL MOOKHEY:** Given that under the Government Sector Employment Act the Premier and Mr Reardon were technically Mr Staples' employers and not you, can you assure us that you followed the law here by seeking the permission of the Premier and/or Mr Reardon?

**Mr ANDREW CONSTANCE:** I follow the law at all times. That is, again, another silly thing that you have said at this inquiry this morning.

**The Hon. DANIEL MOOKHEY:** Did you speak to Mr Reardon at all before you made the decision to terminate Mr Staples?

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

**The Hon. DANIEL MOOKHEY:** Mr Staples had his annual performance review with the Premier on 20 August 2020. Were you at the meeting in which that performance review took place?

**Mr ANDREW CONSTANCE:** I have made it clear—my answers and response are clear in relation to this matter. I stand by my public statement.

**The Hon. DANIEL MOOKHEY:** Sure, but did you attend that meeting with the Premier on 20 August 2020?

**Mr ANDREW CONSTANCE:** I am not adding to my answer.

**The Hon. JOHN GRAHAM:** You are avoiding the issue here, Minister.

**Mr ANDREW CONSTANCE:** That is your opinion. I am not going to go into the ins and outs of meetings that I have across government to suit you guys. Sorry, nice try. The thing about this is that—

**The Hon. DANIEL MOOKHEY:** You are welcome to refuse to answer the questions but I am going to continue to ask them. So far we are having a respectful dialogue by our standards, so let us continue with that. Minister, that performance review process requires Ministers to provide written feedback. It is described as a 360 process. Did you provide written feedback about Mr Staples' performance?

**Mr ANDREW CONSTANCE:** I stand by my previous answer.

**The Hon. DANIEL MOOKHEY:** Did you make any complaints about Mr Staples' performance directly to the Premier or to Mr Reardon at any time?

**Mr ANDREW CONSTANCE:** I think this line of questioning is inappropriate.

**The Hon. DANIEL MOOKHEY:** Minister, you spent \$830,000 to remove Mr Staples for what we understand was no reason.

**Mr ANDREW CONSTANCE:** That is your claim.

**The Hon. DANIEL MOOKHEY:** No, actually the official reason given was no reason.

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

**The Hon. DANIEL MOOKHEY:** You exercised your power under section 39.

**The Hon. SCOTT FARLOW:** Point of order: The Minister is trying to answer the Hon. Daniel Mookhey.

**The Hon. DANIEL MOOKHEY:** No, the Minister is interrupting me.

**The Hon. SCOTT FARLOW:** No, the Minister is trying to answer your questions.

**The CHAIR:** Order! The member is entitled to be able to finish the question before the witness attempts to answer.

**The Hon. SCOTT FARLOW:** The Minister is entitled to answer as well.

**The Hon. DANIEL MOOKHEY:** Minister, given that you spent \$830,000 of taxpayers' money to remove a person whom you say you respect, it is not unreasonable for taxpayers to know why precisely you removed Mr Staples. I invite you again, if you wish, to provide that on the record.

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**Mr ANDREW CONSTANCE:** The arrangements in relation to the remuneration of the secretary are not the political plaything of the Labor Party and Mr Mookhey. This silly line of questioning—I find it truly remarkable that the Labor Party think that this is some sort of political plaything. We are running a serious, professional outfit that is designed to deliver transport services to millions of people a day. I made it clear that the integration of RMS into Transport is going to head in a new direction this year. I stand by what I have said.

**The Hon. DANIEL MOOKHEY:** I appreciate that, Minister.

**Mr ANDREW CONSTANCE:** You know, if you want to talk about waste—look at the orders made under Standing Order 52 that you have heaped onto my agency in the last 12 months alone.

**The Hon. DANIEL MOOKHEY:** Minister, we are moving away from the question. I am going to move on. The Premier gave Mr Staples an above average performance rating on 20 August, but yet eight weeks later you spent \$830,000 to remove him. Were you conscious of the fact that Mr Staples had passed that performance rating with positive comments from the Premier before you made that decision?

**Mr ANDREW CONSTANCE:** Mr Mookhey, I stand by my answer from before. I am not going to delve into the personal arrangements around Rodd Staples in this forum because you think that there is some sort of political plaything here. The direction of the agency is going to change and as a result there is also a need for the leadership to change. So onwards and upwards.

**The Hon. DANIEL MOOKHEY:** Minister, let us just cut to the chase.

**Mr ANDREW CONSTANCE:** No, I have. I just find you—

**The Hon. DANIEL MOOKHEY:** You removed Mr Staples—

**The CHAIR:** Order! Let the question be asked.

**Mr ANDREW CONSTANCE:** You are the super sleuth of the Labor Party and the upper House. You do not do a particularly good job. I just ask you to—

**The Hon. DANIEL MOOKHEY:** Minister, you removed Mr Staples—

**Mr ANDREW CONSTANCE:** Is this a question or a statement?

**The Hon. DANIEL MOOKHEY:** Well, if you let me ask it—

**Mr ANDREW CONSTANCE:** The premise of your question is based on a statement I have given.

**The CHAIR:** Order! Could we just show a little bit of respect and allow the question to be asked?

**Mr ANDREW CONSTANCE:** Well, these are not questions. These are statements.

**The Hon. JOHN GRAHAM:** Minister, you do not get to review my colleague. Let him ask the questions.

**Mr ANDREW CONSTANCE:** Immature, ridiculous, silly statements.

**The CHAIR:** Order! This is not helping anybody. Mr Mookhey will ask his question.

**The Hon. DANIEL MOOKHEY:** Minister, you removed Mr Staples because fundamentally you resented the fact that he would provide you with impartial advice. Is that correct?

**Mr ANDREW CONSTANCE:** I think you should familiarise yourself with the appropriate legislation and maybe come back with some questions with an appropriate premise on which to ask, because that is just ridiculous.

**The Hon. DANIEL MOOKHEY:** Minister, in the last 18 months how many ministerial guidances did you issue to your department?

**Mr ANDREW CONSTANCE:** What do you mean by that?

**The Hon. DANIEL MOOKHEY:** How many ministerial directions have you issued to your department in the last 18 months?

**Mr ANDREW CONSTANCE:** How many?

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

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**Mr ANDREW CONSTANCE:** I am happy to take that on notice, but I do remember one which was very clear and very clear to my heart. That was asking them to clear the trees back 40 metres from the Princes Highway after the bushfires.

**The Hon. DANIEL MOOKHEY:** Sorry, can you elaborate on that? What was that direction?

**Mr ANDREW CONSTANCE:** I asked the agency to remove the trees back on the side of the Princes Highway and the other highways that had been fire affected so that we did not see communities cut off for weeks on end during a firestorm event. I also did not want—God forbid—kilometres of traffic build-up when a wildfire might hit them and we lose hundreds of Australians. There is one exact example of me issuing a ministerial—what did you say?

**The Hon. DANIEL MOOKHEY:** Direction.

**Mr ANDREW CONSTANCE:** Direction, yes.

**The Hon. DANIEL MOOKHEY:** When did you issue that direction?

**Mr ANDREW CONSTANCE:** After the bushfires.

**The Hon. DANIEL MOOKHEY:** Do you remember when?

**Mr ANDREW CONSTANCE:** After the bushfires.

**The Hon. DANIEL MOOKHEY:** Was that in writing?

**Mr ANDREW CONSTANCE:** Yes, it was actually.

**The Hon. DANIEL MOOKHEY:** And was your direction complied with?

**Mr ANDREW CONSTANCE:** No, it was not.

**The Hon. DANIEL MOOKHEY:** Why was it not complied with?

**Mr ANDREW CONSTANCE:** I do not know. You would need to ask the department. I think the point that I would make is that what has gone on there is a classic example of what needs to change. Because, let me tell you, after that event, when lives were put at risk in the way that they were put at risk, my expectation was that we would get the trees back from our highways because I am sick of people dying or running off roads and hitting trees. I am sick to death of a major event like that—where trees fell down on roadways for weeks. I am sick to the stomach to think that we could not even get diesel fuel into our fire tankers because our highways were closed because the trees were down all over them. It was a disgrace. So there is an example of me issuing a ministerial order.

**The Hon. DANIEL MOOKHEY:** Do you mind providing us with a copy of your ministerial direction on notice?

**Mr ANDREW CONSTANCE:** Absolutely. In terms of that one, yes, I am happy. You know what, you should take it to the media. Do me a favour.

**The Hon. DANIEL MOOKHEY:** Insofar as you say that your department did not comply with your direction, when did you reach the opinion that the department was not complying with your direction?

**Mr ANDREW CONSTANCE:** Driving up and down the highway.

**The Hon. DANIEL MOOKHEY:** But when? At what time?

**Mr ANDREW CONSTANCE:** I do that all the time.

**The Hon. DANIEL MOOKHEY:** Did you raise that with Mr Staples as a concern that you had with him?

**Mr ANDREW CONSTANCE:** Yes, probably on a couple of occasions actually.

**The Hon. DANIEL MOOKHEY:** What were Mr Staples' reasons for not complying with your direction?

**Mr ANDREW CONSTANCE:** I did not find it particularly acceptable. The thing is that the environment and the biodiversity had changed quite dramatically after that fire event. I wanted the trees back off quickly because all the fauna had gone. The flora had been changed. It was an appropriate time to obviously get those trees back because I have got photographs on my phone of an example where a tree came down on a car and could have killed someone. I, again, think it appropriate—I mean we clear underneath transmission lines extensively, yet for whatever strange reason we seem incapable of getting it back off our major arterial highways

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in advance of these types of events happening again. I am not going to, given what I went through personally, stand by. I do not care who is in the way. This happened. I am happy to table that letter.

**The Hon. DANIEL MOOKHEY:** I do appreciate that. But was, in your eyes, Mr Staples' inability to follow your direction the reason why he was removed?

**Mr ANDREW CONSTANCE:** No, I have answered your questions on this.

**The Hon. DANIEL MOOKHEY:** A final question on this. Did you ever seek advice as to how many trees would have to be removed for your direction to be complied with?

**Mr ANDREW CONSTANCE:** Again, the point out of this was: Get the trees back at all costs. We have a perfectly good timber industry in this State that could have been engaged to harvest the timber—because you can still harvest timber when it has been blackened by fire. But I reiterate: Go for a drive. Go and actually have a look at the landscape after the fires. You do not have to go far. The point is that if we do not pull the trees back off those roads in advance of the next round of firestorms, then we could end up with a very serious tragedy.

**The Hon. JOHN GRAHAM:** Minister, you have made some changes to the mobile speed camera program. You announced those on 19 November.

**Mr ANDREW CONSTANCE:** Yes.

**The Hon. JOHN GRAHAM:** One of those changes was the increase from 7,000 hours to 21,000 hours for each camera.

**Mr ANDREW CONSTANCE:** Yes.

**The Hon. JOHN GRAHAM:** Will you confirm that those changes are yet to roll out and that will happen in the second half of this year?

**Mr ANDREW CONSTANCE:** It is disappointing that you saw fit to go to the media overnight and you did not even call Bernard Carlon from the Centre for Road Safety. What an incredible misstep on your part.

**The Hon. JOHN GRAHAM:** It is up to you, Minister, who you brief.

**Mr ANDREW CONSTANCE:** You did not even call the expert witness from the Centre for Road Safety to budget estimates to ask questions about road safety, and here you are. You have played your game and you should be embarrassed. I have issued a public statement in advance of the hearing this morning to correct your misinformation.

**The Hon. JOHN GRAHAM:** You can bring who you like, Minister, to estimates.

**The CHAIR:** Order! If I could just interrupt you, Minister—

**Mr ANDREW CONSTANCE:** You should question yourself as to what type of MP you really want to be, because you are playing silly games.

**The CHAIR:** Minister, because you have made an assertion that goes to the actions of this Committee I will correct you. You were sent a letter on 8 February this year inviting you to attend these budget estimates.

**Mr ANDREW CONSTANCE:** I am here.

**The CHAIR:** You were invited to attend this morning's session with your nominated departmental witnesses.

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

**The CHAIR:** If there were other witnesses that you felt should have attended, then you were able to request them.

**The Hon. SHAYNE MALLARD:** Point of order: For clarification, members of the Committee were also invited to request witnesses.

**The CHAIR:** That is not the point.

**The Hon. SHAYNE MALLARD:** Members of the Committee put forward witnesses, so the Minister's statements are very accurate.

**Mr ANDREW CONSTANCE:** Like Tim Raimond this afternoon.

**The CHAIR:** We will continue.

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**Mr ANDREW CONSTANCE:** You were interested in bringing Tim Raimond in here but not interested in bringing the road safety expert. You go out overnight in the media and play your game and misinform the community.

**The Hon. JOHN GRAHAM:** No, you were not interested.

**Mr ANDREW CONSTANCE:** Why did you not call the Centre for Road Safety? If you are so passionate about road safety, then why did the Labor Party not call them?

**The Hon. JOHN GRAHAM:** You have avoided my question, Minister. I will ask my question again.

**Mr ANDREW CONSTANCE:** Great, you can fire away.

**The Hon. JOHN GRAHAM:** When will that change happen, tripling the hours? Can you confirm it is in the second half of this year?

**Mr ANDREW CONSTANCE:** I can confirm that it will happen this year.

**The Hon. JOHN GRAHAM:** It is yet to happen and it will happen.

**Mr ANDREW CONSTANCE:** I will give you a statement. You speed: you kill. We have the fines to stop people speeding. With what has gone on over the past 12 months, where speed is now contributing an extra 10 per cent to the fatalities in this State, we have no choice. I invite you to talk to your Labor colleagues in other States about how they run their mobile speed camera programs.

**The Hon. JOHN GRAHAM:** Yes, and I have done that.

**Mr ANDREW CONSTANCE:** Well, guess what you discover: far more hours than New South Wales, no warning signs and no livery on cars. That is what you discover in Labor States. Are you interested in saving lives or are you interested in silly political games? You try it on road safety, because I will not back away from it. I will do my level best to save lives, working with the advice of Monash University and the Centre for Road Safety. I bet you have not pulled your kid out of a head-on. I have, and I do not have any tolerance for what is going on in terms of our road network at this time. People need to slow down. Fines are designed to get them to behave on the roads. Here is another light bulb moment for you: That money goes back into the Community Road Safety Fund to get people to do what they should have been doing in the first place.

**The Hon. JOHN GRAHAM:** Minister, that is exactly what I want to ask you about.

**Mr ANDREW CONSTANCE:** So why are you an apologist for speeding? Why are you going out in the public domain time and time again, risking lives by absolutely destroying the communication and the messaging around road safety and speeding?

**The Hon. JOHN GRAHAM:** Minister, this is totally inappropriate.

**Mr ANDREW CONSTANCE:** You need to ask yourself why you are doing that because it is not good enough, John.

**The Hon. JOHN GRAHAM:** Why will you not answer questions about this fund?

**Mr ANDREW CONSTANCE:** It is quite simple. I am happy to answer the questions about the fund, but I invite you to also get Bernard along to the Committee.

**The Hon. JOHN GRAHAM:** I will ask that those documents are handed up. I want to ask specifically about some of the funding from that fund.

**Mr ANDREW CONSTANCE:** Great, go ahead. I am happy to table the progress report.

**The Hon. JOHN GRAHAM:** One of the Opposition's concerns about this fund is that we believe it should be far more transparent. We will come back to that.

**Mr ANDREW CONSTANCE:** Have you read this report?

**The Hon. JOHN GRAHAM:** Yes, I have.

**Mr ANDREW CONSTANCE:** Great.

**The Hon. JOHN GRAHAM:** Blackspot funding appears to be dropping, not increasing.

**Mr ANDREW CONSTANCE:** Oh dear.

**The Hon. JOHN GRAHAM:** You have made some statements this morning about that.

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**Mr ANDREW CONSTANCE:** Right.

**The Hon. JOHN GRAHAM:** You have accused us of lying. Let us put that on the record.

**Mr ANDREW CONSTANCE:** You have lied. I will not cop this.

**The Hon. JOHN GRAHAM:** I will put this simple question to you. When you stop interrupting, Minister, I want to put this question to you.

**Mr ANDREW CONSTANCE:** Blackspot funding has been diverted into the Safer Roads Fund, mate. It has gone into another program called Safer Roads. Guess what: The budget has gone up, but you go out and say it has gone down. How do you figure that? How do you live with yourself

**The Hon. DANIEL MOOKHEY:** Point of order: The Minister should control himself and allow the question to be asked. You have said it now three or four times, Chair. It is much simpler.

**Mr ANDREW CONSTANCE:** But you went out this morning and said that the blackspot funding had been cut. It is a lie.

**The Hon. DANIEL MOOKHEY:** The Minister is now heckling me as well, and I invite you to—

**The Hon. SHAYNE MALLARD:** To the point of order: Clearly the Minister is very fundamentally disputing the assertion in the question before it is asked. He is saying that it is factually incorrect, and he is entitled to do that.

**The Hon. DANIEL MOOKHEY:** Before it is asked.

**The CHAIR:** Order! I will rule on the point of order. It is well within the witness' rights to dispute the assertion on which the question has been raised when he gives his answer, not before the question has finished. If we could let the member finish the question, and then we can have a full response, that would be great.

**The Hon. SHAYNE MALLARD:** The point is that we know what the media grab will be.

**The Hon. JOHN GRAHAM:** Minister, I want to put the facts from the Government's documents to you and I am inviting you to dispute them.

**Mr ANDREW CONSTANCE:** But you are not putting the facts.

**The Hon. JOHN GRAHAM:** I am about to put this to you.

**Mr ANDREW CONSTANCE:** You are putting Labor's spin on it.

**The Hon. JOHN GRAHAM:** I am putting two Government documents that contain the expenditure from this fund. They are labelled "1" and "2". The most recent reporting, which you have in front of you, shows the State-funded blackspot program at \$13.8 million. The first reporting shows that the New South Wales blackspot program from 2013-14 was \$28.8 million. On the face of it, that has dropped. I invite you to respond to that but I also make the point before you do that, that we are calling for more transparency for this fund. The public would be concerned about that. We would like to see more explanation about how this is happening. On the face of it, though, blackspot funding has been halved. What is going on?

**Mr ANDREW CONSTANCE:** I will ask you to allow me to answer the question and I will be clear. The program name has changed and we still fund road improvements through the Safer Roads Program. This financial year—I will read the number—\$283 million has been allocated for the Safer Roads initiatives, compared to \$121 million in 2018-19. The change of name reflects the advice of the Centre for Road Safety that the more modern and effective approach to improving road safety is to look at an entire route, not just the blackspot. This addresses high-risk sections of the road network with proven and effective life-saving treatments like barrier systems, audio tactile line marking and fixing high-risk curves so that we save more lives across the road network. That is the advice that Bernard has given me, which I wanted to read onto the public record. We have upped it, not cut it. You could have waited until this morning to ask me that before you issued your press release to the media and to *The Sydney Morning Herald* yesterday. You did not.

**The Hon. JOHN GRAHAM:** Minister, we will return to this in the next section.

**Ms CATE FAEHRMANN:** I have some questions about koalas, so I think this will be much more fiery than anything we have seen today. Minister, you are aware of your Government's commitment to double koala numbers by 2050.

**Mr ANDREW CONSTANCE:** I am.

**Ms CATE FAEHRMANN:** Do you support that commitment?

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**Mr ANDREW CONSTANCE:** Yes.

**Ms CATE FAEHRMANN:** So why is the RMS blocking—I refer particularly to a potential underpass at Appin Road as part of the Gilead development. I hear that RMS is saying that underpass cannot be built. Is there somebody here who can answer that detail for me?

**Mr ANDREW CONSTANCE:** Can I firstly just give some broad perspective in relation to that issue? First of all, the department has an absolute commitment, as I do, that we must do everything to protect the koala. Species numbers are terrible. The animal is obviously under enormous strain and threat in terms of its population. I dare say the wildfires did not help the population in the State. In an area like Appin, where there are colonies, my expectation is that through a consultation process we tease out some of those issues in advance of any decision that is made—be it how the project might be built, the detailed design or working through the environmental impact statement. We can absolutely take on notice any specific question that you have about the koala interface at that underpass and that interchange. I think that is really important, because I do want to give the community confidence that where possible we will absolutely protect the animal.

**Ms CATE FAEHRMANN:** Can I just check if there are any officials here today that have detail about that particular project?

**Mr ANDREW CONSTANCE:** I think there will be this afternoon, probably more likely to be this afternoon.

**Ms CATE FAEHRMANN:** Mr Regan, are you—

**Mr REGAN:** We will be able to give you a detailed response on that this afternoon. But I will reiterate the Minister's comment: The department is absolutely committed to resolving that issue and to protecting and enhancing the environment for koalas. We will be able to give you more detail on that this afternoon.

**Ms CATE FAEHRMANN:** I might just continue to pursue it while the Minister is here though because I think it is also a political decision or a policy decision, if you like, Minister, as to whether this underpass can go ahead or not.

**Mr ANDREW CONSTANCE:** When you say it is a political decision, what do you mean?

**Ms CATE FAEHRMANN:** I will, no doubt, be told by the public servants this afternoon that it is up to the Minister ultimately if something should go ahead or not in this regard. So can I just let you know the conversations I have had. The community is really concerned about that population out there. This development is going to probably have a significant impact on the koala population. But the most critical thing is the underpasses on Appin Road. This is what the chief scientist found. I understand as well the environment Minister has said that, unless all of those recommendations in terms of the chief scientist's report are met, he will not be biodiversity certifying this particular development. One of them is to ensure that this corridor connection on Appin Road—

**Mr ANDREW CONSTANCE:** Cate, sorry to interrupt. You are mentioning all of the appropriate safeguards that are in place in relation to this infrastructure being built, and so it should be. It should be robust—

**Ms CATE FAEHRMANN:** What we are hearing is that the blockage is from RMS. I will put it quite bluntly as well. I have heard that RMS has said or are worried about the precedent that will be set if this development, for example, has to put an underpass in—the precedent it would set for other roads around developments, for other road upgrades.

**Mr ANDREW CONSTANCE:** First and foremost, I would like to know where that specific concern has come from. When you say "RMS has said"—

**The Hon. SHAYNE MALLARD:** The Pacific Highway is full of underpasses.

**Mr ANDREW CONSTANCE:** I would not mind knowing who in RMS. You do not need to give it in the inquiry. I am happy to take it offline. I think that the key element is we absolutely have that expectation. We have got to go through these environmental processes to give confidence to the community that we are not going to harm the animal. That is an absolute undertaking. I am not aware of precedent setting in this regard. As far as I am concerned, there is a very clear process in terms of environmental impact that needs to be worked through and the appropriate planning approvals for that. I would expect it not to be steamrolled in any way.

**Ms CATE FAEHRMANN:** There is potentially something like another reason. I just wanted to check this with you as well. Basically, RMS did a submissions report into the Appin Road upgrade. It said that one of the reasons why RMS did not want to go ahead with this underpass or an overpass was that it would likely require

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substantial additional clearing of good condition critically endangered ecological communities along with the biobank site. That is potentially a good thing, that RMS is concerned about that?

**Mr ANDREW CONSTANCE:** Yes, if the EEC is in place, it becomes near impossible, I would have thought.

**Ms CATE FAEHRMANN:** There is also a link road that is being investigated, between Appin Road and Menangle Road. You are aware of a potential link road in that area?

**Mr ANDREW CONSTANCE:** Yes.

**Ms CATE FAEHRMANN:** I have in front of me the corridor option, which, I understand, is the preferred option. It is actually going to cut through Noorumba Reserve, which is the very same area that RMS is concerned about in terms of the underpass.

**Mr ANDREW CONSTANCE:** But again this is why—

**Ms CATE FAEHRMANN:** Yes, I can ask the public servants but, ultimately, Minister—

**Mr ANDREW CONSTANCE:** But, Cate, for starters, you are talking about a process that is just underway in terms of options without any definite decisions.

**Ms CATE FAEHRMANN:** No, it is—

**Mr ANDREW CONSTANCE:** You are also making statements in relation to agency views that I do not know are right, wrong or indifferent. You are making these claims.

**Ms CATE FAEHRMANN:** The chief scientist has specifically said that this underpass is needed to maintain the connectivity for this koala population, that basically an underpass is the best option to ensure that this koala population will not be fragmented and fragmentation—I am sorry—is death for koalas, actually.

**Mr ANDREW CONSTANCE:** Yes. I agree with that.

**Ms CATE FAEHRMANN:** The underpass is possible. I have seen a diagram by Lendlease. I have seen the diagram.

**Mr ANDREW CONSTANCE:** I will take this offline and have a look at it.

**Ms CATE FAEHRMANN:** Can you please make inquiries?

**Mr ANDREW CONSTANCE:** Yes, that is fine.

**Ms CATE FAEHRMANN:** Can I just say Lendlease has also said to me it is just an additional \$4 million, which they will pay for.

**Mr ANDREW CONSTANCE:** I am not aware of that. Just let us take it offline. I will go and have a look at it. It is not complex.

**Ms CATE FAEHRMANN:** Go and have a look at it. One of the things that the local community is now concerned about is in fact that it is not the destruction of the ecological community that RMS is worried about, it is the fact that they want to put the link road there and destroy that corridor anyway.

**Mr ANDREW CONSTANCE:** I have to take it on notice, Cate.

**Ms CATE FAEHRMANN:** But if it goes through core koala habitat and the corridor—

**Mr ANDREW CONSTANCE:** I gave a pretty clear statement about the requirements of us meeting the needs of the koala.

**Ms CATE FAEHRMANN:** Is that a concern for you in terms of wanting to double koala numbers? You agreed to that. You expressed your concern. This is the healthiest population—

**Mr ANDREW CONSTANCE:** But this is not a gotcha moment. You are not getting me.

**Ms CATE FAEHRMANN:** No, no. I am just wanting some kind of commitment from you. It is the healthiest population pretty much in New South Wales. I think part of whether the Government will see its commitment by 2050 to double koala numbers rests on decisions like this. You are the Minister in charge.

**Mr ANDREW CONSTANCE:** That is fine. Again, the officials will be here this afternoon to go through the exact specifics. It is good you have flagged this this morning because they will be able to, obviously, get more information for you this afternoon. But, again, with any infrastructure that has to be built, particularly in



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the bush, there are environmental requirements that need to be met as part of a planning process. It would not matter if it is an endangered animal or in this case the koala. We have to work through those processes.

**Ms CATE FAEHRMANN:** Another issue that is incredibly popular here in New South Wales as well is not just the koala but e-scooters. Minister, has Transport for NSW abandoned the idea of an electric scooter trial in New South Wales? What has happened to one?

**Mr ANDREW CONSTANCE:** I put it on hold because I think if you go and visit many of the jurisdictions around the world where they have e-scooters, it has turned into a nightmare. You only need to go to cities like Paris to see what is going on. It is an out of control mess.

**Ms CATE FAEHRMANN:** I understand most other jurisdictions in the country have, though.

**Mr ANDREW CONSTANCE:** Our focus has been, particularly during COVID, to get people to ride a bike or walk. I am not in the mood for running e-scooter trials at a time like this. I am certainly not in the mood for seeing e-scooters just littering streets, people doing silly and dangerous things on them, which is the experience—

**Ms CATE FAEHRMANN:** Isn't that the point of regulation?

**Mr ANDREW CONSTANCE:** Yes, but the problem is, if you go and have a look at the rest of the world and what has gone on around e-scooters—it is a disaster.

**Ms CATE FAEHRMANN:** What do you mean? Most other jurisdictions in Australia have done this. What do you mean?

**Mr ANDREW CONSTANCE:** People getting killed, e-scooters being left up trees, e-scooters littering parks and footpaths, people falling over them. I can send you a bunch of pictures if you want. The point is that I am not entertaining this. I am not particularly going to entertain it at the moment. We are focused on, as you know, putting bike paths in to get our cycling community focused and more mobile, given the demand. That is the focus at this time.

**Ms CATE FAEHRMANN:** You do know that the sale of e-scooters though is going through the roof here in New South Wales and most other States have trialled and are regulating—

**Mr ANDREW CONSTANCE:** Yes. They are illegal.

**Ms CATE FAEHRMANN:** Thank you, Minister. So what happens to all the people who are buying e-scooters at the moment?

**Mr ANDREW CONSTANCE:** They should not be.

**Ms CATE FAEHRMANN:** But they are for sale. So something is kind of wrong there.

**Mr ANDREW CONSTANCE:** I am making the point. I think there is a difference between what you also want, and that is for e-scooter businesses to pop up all over the place and the joint be littered with them everywhere—

**Ms CATE FAEHRMANN:** That is not what I want. That is ridiculous.

**The CHAIR:** We might come back to that and that assertion. We need to move now to Mr Latham, who is online. I hope you can hear us on the webcast.

**The Hon. MARK LATHAM:** Yes, I can. Minister, congratulations on your NorthConnex road, which has been well used by many people, myself included. I note in the provision of transport, the road links at NorthConnex—and this is something that is similar across all the road tunnels in Sydney. Interchanges have been built at either end, the Hornsby end and the Pennant Hills Road end. Is that a standard transport planning practice, that with a road tunnel you would have an interchange at either end?

**Mr ANDREW CONSTANCE:** I think the main thing, Mark, is that they are designed typically to make sure, in terms of access to the existing road network, that it is done with that clear intent. I think we have some obvious challenges in terms of those interchange points because sometimes, where there is an existing road network—the classic example would be on the M7 at Elizabeth Drive and the potential for the M12 as an example of that—there is going to have to be an interchange built. Again, it is all about trying to integrate into the broader road network.

**The Hon. MARK LATHAM:** But all other things being equal, when you build a road tunnel, you normally have an interchange at either end to clear the traffic away.

**Mr ANDREW CONSTANCE:** Yes, that is right.

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**The Hon. MARK LATHAM:** Yes. So when, on 22 June 2018, you announced the tunnel for the planned M9 Outer Sydney Orbital route and you announced the tunnel from north of Cobbitty Road to south-east of Cawdor Road, you would normally expect that interchanges would be built there at Cobbitty Road and also south-east of Cawdor Road.

**Mr ANDREW CONSTANCE:** Of course you are going to have an interchange point where the existing road network enters a motorway. That would be no different there. Again, back at that time, Minister Pavey was in the chair in terms of roads and I would have to go back and have a look at the specifics around those interchange points for me to be more complete in my answer to you. But the experts would look at the corridor, they would try to ascertain the best way to link it into the existing road network so that it becomes easier for residents to access the motorway, and they, of course, have to work through a process in relation to property take as part of that and there was a degree of futureproofing going on there as well, Mark.

**The Hon. MARK LATHAM:** Yes, thank you. Earlier in that year, on 26 March 2018, the M9 Outer Sydney Orbital route was announced without a road tunnel between Cobbitty and Cawdor. What happen in the three months subsequent to facilitate the need for the road tunnel to be announced and planned?

**Mr ANDREW CONSTANCE:** One of the things which happened—and correct me if I am wrong but I, again, would have to go and check with the Minister at the time—was that there was a pretty significant push on locally in relation to not splitting that community. There was also recognition that there was going to be significant growth for the future decades, given that there is no provision time frame for exactly when this motorway would be built and, of course, given the growth in that sector, which is phenomenal as you know. So a NorthConnex-style tunnel might be the best way to avoid splitting the community, so that is why that was suggested. If I remember correctly, there were also quite a few heritage properties out there that would have also been affected. But I would have to go back and check, to be honest, but that is my rough recollection of that issue at the time and it was pushed pretty hard by people like Chris Patterson, who was the member at the time.

**The Hon. MARK LATHAM:** Can you recall the meetings that Chris Patterson and Jai Rowell, the two Liberal members in that district, organised with senior Ministers to pass on the community opposition to an above-road Outer Sydney Orbital and how out of those meetings the tunnel arose? How many of those meetings were held?

**Mr ANDREW CONSTANCE:** I do not know, Mark, because I was not Minister but Melinda Pavey would probably roughly remember. But it would not be surprising, given the interest from the way in which the community feeling was at that time, for those local members to be absolutely advocating to the bureaucracy. Typically, in this type of circumstance the local members would be talking to the officials directly and also talking to Ministers. That would be usual in that circumstance. I have got, for instance, Tanya Davies talking to me about Orchard Hills at the moment. That is the type of thing that happens. Invariably, those two members would have done that at the time, I am pretty confident.

**The Hon. MARK LATHAM:** In the three-month period, do you recall attending meetings chaired by the Premier where you, Melinda Pavey, Chris Patterson and Jai Rowell attended to talk about the community opposition to the above-road M9, out of which the tunnel was decided?

**Mr ANDREW CONSTANCE:** I would have to go back and have a look at my notes and meetings at that time, Mark, but invariably I would not be surprised if those types of discussions happened. I was chair of the Cabinet infrastructure committee at that time, so only naturally you would have the local members there presenting the community view.

**The Hon. MARK LATHAM:** Do you recall those meeting in the Premier's office chaired by the Premier?

**Mr ANDREW CONSTANCE:** I cannot remember where the meetings were but I will go back and have a look.

**The Hon. MARK LATHAM:** Right. Do you have any recollection of mention or discussion about the tunnel coming out of south-east of Cawdor Road and that a group called Country Garden had over 400 hectares of land they bought into at Cawdor Road and an interchange there would facilitate the opening up of their planned housing estate?

**Mr ANDREW CONSTANCE:** No, again, I cannot remember any of that because, as far as I am concerned, we were not looking at the specific property owners. We were just looking at how you might build an Outer Sydney Orbital into the future and one of the things that the Government did very clearly want to do at the time was not make the mistake of not having the road reserve in place. So I think that is important. That was the direction of the Government at the time and certainly what the Minister was trying to achieve by having that

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corridor in place. We have done it with the rail, we were going to do with a number of roads out there, so that is very much in the hands of the officials as far as I am concerned. It should be an appropriate process which they work through and give the best corridor advice and work through that process.

**The Hon. MARK LATHAM:** And before or after the announcement of the tunnel coming out south-east of Cawdor Road, did you receive representations from Daryl Maguire?

**Mr ANDREW CONSTANCE:** Absolutely not.

**The Hon. MARK LATHAM:** About close financial links to Country Garden?

**Mr ANDREW CONSTANCE:** Absolutely not.

**The Hon. MARK LATHAM:** Not one discussion?

**Mr ANDREW CONSTANCE:** Absolutely not.

**The Hon. MARK LATHAM:** At the meetings chaired by the Premier, did the Premier declare her conflict of interest in having a close personal relationship with Daryl Maguire and the fact that she knew that he had major financial interests with Country Garden?

**Mr ANDREW CONSTANCE:** Mark, my response is not going to surprise you. The important element in all of this is that this matter is the subject of an ongoing inquiry at ICAC. Those issues have obviously been canvassed appropriately through that forum so I am not going to go into them now.

**The Hon. MARK LATHAM:** With all due respect, ICAC has not interrogated this Cawdor land deal at all. It has not been mentioned in any of the public or private depositions at ICAC. Minister, were you aware of the Country Garden submission to the Greater Sydney Commission in December 2017 that they needed an interchange at their Cawdor Road site to facilitate the 4,000 lot housing development?

**Mr ANDREW CONSTANCE:** I am not aware of the discussions at that time in relation to Country Garden and the Greater Sydney Commission. I was the transport and infrastructure Minister at that time.

**The Hon. MARK LATHAM:** When you made the announcement of the tunnel on 22 June and also were involved in the announcement in March, did the local members of Parliament, Jai Rowell and Chris Patterson, have any advance notice of the route that was announced for the M9 that caused all the controversy in their local districts?

**Mr ANDREW CONSTANCE:** When you say advance knowledge, what you mean by that? Before a public announcement?

**The Hon. MARK LATHAM:** Before the announcement on 26 March, were they briefed a couple of weeks in advance? Did the Government say, "It's your electorates out there. We just want you to know this is coming. The exact route here will be announced on 26 March"?

**Mr ANDREW CONSTANCE:** It would not have surprised me if they were told in the advance of a government announcement, as government MPs, that this was going to be the announcement.

**The Hon. MARK LATHAM:** You have got no recollection.

**Mr ANDREW CONSTANCE:** No, I have got no recollection of when they might be advised but the point out of it is that an announcement was made in relation to a corridor, not an absolute or definite decision in relation to the exact route and the interchange points. So, again, they are appropriate questions to the Minister of the day, but they are needed—but I do remember the advocacy on behalf the local members about that community being split by an at-grade motorway.

**The Hon. MARK LATHAM:** And Minister—

**The CHAIR:** Apologies, Mr Latham, your time is up for now. I think we might come back to you later on but I will now move to questions from the Opposition.

**The Hon. JOHN GRAHAM:** Thank you, Minister. Minister, in relation to this matter, you say you were not the roads Minister at the time, accurately. You were the transport Minister. You have confirmed that. The whole idea of transport planning at that moment was to really combine the transport and roads planning, so you must have been quite across these issues.

**Mr ANDREW CONSTANCE:** Yes. We looked, quite rightfully, right through that new parkland city and how you would have the corridors for road and rail. That is sensible. But what typically happens is that Transport planners—and they will invariably be here before the Committee later today—they give the advice in

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terms of corridors. We then see them refine that by going to the community. I mean this was an open, community-consulted process.

**The Hon. JOHN GRAHAM:** But you would have been integral to those meetings as the Transport Minister of the day, would you not?

**Mr ANDREW CONSTANCE:** No, because it was pretty much in the purview of the roads Minister, as appropriate.

**The Hon. JOHN GRAHAM:** I might put it this way to you—just thinking about those meetings you cannot recall, this now has not been the subject of direct inquiry by ICAC but it has been very public. Has that prompted you to reflect on whether you might have attended meetings in that three-month period?

**Mr ANDREW CONSTANCE:** No, because as Transport Minister, as far as I am concerned, the Government has not made any gazettal—and I am now roads Minister—the Government has not made any gazettal in relation to the corridor. There has been a community engagement exercise in relation to that and, again, the department manages that process.

**The Hon. JOHN GRAHAM:** And you say that Daryl Maguire did not speak to you. You have given a very strong answer on that. Did Daryl Maguire at any point speak to your office about this project?

**Mr ANDREW CONSTANCE:** I wouldn't know, to be honest. Again, though, I do not have—I am pretty confident my office would have advised me at the time if Daryl Maguire had come in and asked about this. So I never had any discussions with staff advising me to that effect, and I would be pretty confident that if he had they would have it raised with me.

**The Hon. JOHN GRAHAM:** I will just ask that this document is handed up to you. That is the submission that Mr Latham has just referred to. Minister, you have observed that we are really talking about broad transport corridors, not precise routes here. But the document here is the submission made months before that announcement by Country Garden. You can see the map over the page.

**Mr ANDREW CONSTANCE:** Sorry, where is this submission to and from?

**The Hon. JOHN GRAHAM:** This is a submission to the Greater Sydney Commission.

**Mr ANDREW CONSTANCE:** The Greater Sydney Commission. Right.

**The Hon. JOHN GRAHAM:** To Lucy Turnbull.

**Mr ANDREW CONSTANCE:** Okay.

**The Hon. JOHN GRAHAM:** And that is the map provided by the developer.

**Mr ANDREW CONSTANCE:** Well, this is the first time I have seen this document so—

**The Hon. JOHN GRAHAM:** Sure. So my first question is, have you seen this document before?

**Mr ANDREW CONSTANCE:** No. I have not seen this document. And I was unaware of it at the time. I did not delve into who owns what properties and where and everything else through that process. It is not my role, nor would it be the roads Minister's. I think that the point out of this is that the local members came to the Government and I have just indicated to you that they had concerns in relation to the splitting of the community there and—

**The Hon. JOHN GRAHAM:** And that is a slightly separate issue. The issue I want to ask about is this: Concerns have been raised that while the transport process you—the roads Minister was overseeing was very general at this point—it got more specific later—that map in front of you is incredibly specific. It draws a line through this property, which matches the later announcement by the Government. Do you have concerns based on what is now public about this project?

**Mr ANDREW CONSTANCE:** Well, this is not Transport's map. That is not a map that has been produced by my department.

**The Hon. JOHN GRAHAM:** Precisely, and that should be a real concern here. This was described as "Nostradamus", this company knowing three months beforehand the precise route that the Government then announced.

**Mr ANDREW CONSTANCE:** Hang on a sec. I do not know what engagement particular Transport officials might or might not have had with either the Greater Sydney Commission or dealing directly with a particular property owner.

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**The Hon. JOHN GRAHAM:** No-one should have told the route ahead of time. That is very important from a Transport planning point of view. Until the route is announced—and when that happens there is money to be made—no-one should know outside of Transport. Would you agree with that?

**Mr ANDREW CONSTANCE:** Well, this is why—

**The Hon. JOHN GRAHAM:** No, do you agree with that, Minister?

**Mr ANDREW CONSTANCE:** Wait. Hang on a sec here. First and foremost, if Transport go out with a corridor strategy designed to build an Outer Sydney Orbital, people are going to have a rough idea as to where the agency—

**The Hon. JOHN GRAHAM:** This is not a rough idea, Minister.

**Mr ANDREW CONSTANCE:** Yes, but there was also a very public process which the agency worked through at that time.

**The Hon. JOHN GRAHAM:** Correct. Exactly. And you have described it as broad, and I would agree with that. But this is not broad. What is in front of you from the developer is precise.

**Mr ANDREW CONSTANCE:** But you are bringing me documents—

**The Hon. JOHN GRAHAM:** How were they precise—

**Mr ANDREW CONSTANCE:** Wait, John.

**The Hon. JOHN GRAHAM:** —three months earlier?

**The Hon. SCOTT FARLOW:** Point of order: Let the Minister answer.

**Mr ANDREW CONSTANCE:** John, just let me answer the question. You are asking me about an agency that I do not have responsibility for and their engagement with the developer, from three years ago. If you are asking me about me and my agency, that is appropriate. But you would need to ask the relevant Minister and the officials that question.

**The Hon. JOHN GRAHAM:** Can I just ask you to answer that question. No-one should have known ahead of that specific route announcement. No developer—the landholders did not know, the public did not know. A developer should not have known before that specific route announcement. Is that correct?

**Mr ANDREW CONSTANCE:** I can only answer for what Transport did.

**The Hon. JOHN GRAHAM:** In general you would agree with that. That is a commonsense principle when these infrastructure decisions—

**Mr ANDREW CONSTANCE:** That is right. But the point out of this, John, is that what we were doing here is the Transport department was engaging with those communities out there, and invariably there are investors. There are a lot of investors looking around Western Sydney Airport. We went out with a corridor which then increasingly gets refined as the community engagement happens. So—

**The Hon. JOHN GRAHAM:** How did this company refine it three months early? Ahead of the public, ahead of Transport. How did they know and no-one else did?

**Mr ANDREW CONSTANCE:** First of all, I cannot marry—and I was not in charge of Roads of the day, so let us just be a little bit reasonable here. I do not know what allegations you are asserting in relation to Transport planning. If you are asserting an allegation in relation to Transport planning please put it and I will respond to that. The point is we have a—

**The Hon. JOHN GRAHAM:** Just on that, we will put some questions to the agency.

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

**The Hon. JOHN GRAHAM:** I am asking the question your agency asked. Who is talking to who? How did the developer know?

**Mr ANDREW CONSTANCE:** That is a crazy question to ask me. I was not the roads Minister of the day. Ultimately, you are handing me documents that exist between a developer and another agency elsewhere in government. So I cannot be any more specific in relation to that. The Transport planners worked through a process with the community back at that time. I would have to go back and have a look at the exact time frame in terms of what Transport-produced maps went to the community.

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**The Hon. DANIEL MOOKHEY:** Minister, I appreciate that you clarified the administrative arrangements because I accept your point that they were complicated at the time between the three Ministers who were active in this space. But you were the infrastructure Minister. Correct?

**Mr ANDREW CONSTANCE:** Yes.

**The Hon. DANIEL MOOKHEY:** And you have established in answering Mr Latham's questions that that meant that you chaired the infrastructure committee. Is that correct?

**Mr ANDREW CONSTANCE:** Yes.

**The Hon. DANIEL MOOKHEY:** And is that the predominant involvement and exposure you have had to this project? At the time, sorry.

**Mr ANDREW CONSTANCE:** Well, again, we were also trying to develop rail corridors and I was the transport Minister.

**The Hon. DANIEL MOOKHEY:** Good. But it is the case, is it not, that Mr Rowell, as the relevant local member here, was arguing to take the tunnel much further, to the M5. Is that correct?

**Mr ANDREW CONSTANCE:** I can't recall that.

**The Hon. DANIEL MOOKHEY:** Did he make that submission to you at any point?

**Mr ANDREW CONSTANCE:** I can't recall what you're saying.

**The Hon. DANIEL MOOKHEY:** He has publicly said it. If you cannot recall it, I accept that, that is fine. I understand it is a complicated matter and it is representation. Did you ever receive advice from your officials, as the infrastructure Minister, or for that matter, Infrastructure NSW—who I think at the time you were responsible for—that they preferred a long road land bridge to achieve the same—

**Mr ANDREW CONSTANCE:** I would have to go back and check what role iNSW had in relation to a corridor strategy. I would be hard-pressed to think they would have any engagement, but I will have to go back and double-check.

**The Hon. DANIEL MOOKHEY:** I appreciate that with Infrastructure NSW, but in respect to the other agency that you were responsible for at the time, Transport, did they ever advocate or provide you with any advice that actually a long road bridge would be a better transport solution here than a tunnel?

**Mr ANDREW CONSTANCE:** I can't recall those discussions. I am not saying they might or might not have. The point of it is that all I remember is that the local members did not want those communities split.

**The Hon. DANIEL MOOKHEY:** Sure. But can you then describe to us how it was decided that the tunnel was the preferred solution at the expense of other, above-ground options or alternative routes? What process actually was used?

**Mr ANDREW CONSTANCE:** Well, I think you are—

**The Hon. DANIEL MOOKHEY:** Sorry, just let me finish. What process was actually used to determine the tunnel exiting at Cawdor Road?

**Mr ANDREW CONSTANCE:** You would have to put that to the Transport planners. But the point that I would make in relation to this—if I again recall—the community response when the announcement was made that their communities were going to have a below-ground option and not be split was very well received. If I remember correctly, there was a lot of media reporting on the issue at the time. If you are drilling down that you have some allegation that there is some property developer that benefited from this process, then, fine, put the allegation, but I do think that Transport worked through a fairly robust process.

**The Hon. DANIEL MOOKHEY:** I appreciate that that is your recollection, Minister, but did the decision to go to a tunnel exiting at Cawdor Road arise as a result of any representations made by any property owner?

**Mr ANDREW CONSTANCE:** I did not meet with any property owner, and nor would I.

**The Hon. DANIEL MOOKHEY:** That was not my question, Minister.

**Mr ANDREW CONSTANCE:** But I did not have representations from Country Garden. They were obviously put to the Greater Sydney Commission.

**The Hon. JOHN GRAHAM:** Minister, you made the point that you were not then the transport Minister but you are the transport Minister now.

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**Mr ANDREW CONSTANCE:** But he specifically asked me whether or not I had had any engagement with property developers.

**The Hon. JOHN GRAHAM:** I am moving onto another question. You were not the transport Minister then but you are now.

**The Hon. SCOTT FARLOW:** He was the transport Minister then but he did not have responsibility for Roads.

**Mr ANDREW CONSTANCE:** I was not the roads Minister.

**The Hon. JOHN GRAHAM:** So you were not the roads Minister.

**Mr ANDREW CONSTANCE:** Because we integrated Roads and Transport.

**The Hon. SHAYNE MALLARD:** Which Labor resisted.

**The Hon. JOHN GRAHAM:** But you are now the roads Minister. There are now public concerns about that project. There are concerns about why the company and the developer knew three months before the public knew and before the Transport agency had announced that route. Those concerns are on the public record. Have you announced any investigation or have you made any inquiries as the Minister who is now responsible for Roads about how this could have possibly happened?

**Mr ANDREW CONSTANCE:** Again, I am answerable to transport planning. It is fair to say that if there is an allegation to be put in relation to this I would like to hear it from you.

**The Hon. JOHN GRAHAM:** That was the question and you do not seem to have investigated it.

**Mr ANDREW CONSTANCE:** How would I be able to answer that? The thing is that—

**The Hon. JOHN GRAHAM:** Have you asked your agency how this possibly could have happened?

**Mr ANDREW CONSTANCE:** This is not a project that is currently being built. This is a project that is going to be earmarked for some point for a future government decision. We have not gazetted that corridor. There is the first point.

**The Hon. JOHN GRAHAM:** So no investigation and no inquiry of your department about this project despite the public concerns so far?

**The Hon. SCOTT FARLOW:** No project at this time.

**Mr ANDREW CONSTANCE:** You are putting documents to me here in budget estimates about the Greater Sydney Commission and its engagement with Country Garden from 2017. So why would I—

**The Hon. JOHN GRAHAM:** That matter has been referred to in the Parliament by my colleague and it has been referred to repeatedly in the media this week. You have not asked your agency what is going on—is that what you are telling us?

**Mr ANDREW CONSTANCE:** Hang on a second. You are making allegations. If there is an allegation to be made, make it to the appropriate authority. If you have a specific allegation to make I urge you to make it to the appropriate authority. Have you? No.

**The Hon. JOHN GRAHAM:** Yes. As you know, the upper House has referred a number of those matters to ICAC. Will you refer this matter to the ICAC?

**Mr ANDREW CONSTANCE:** I am going to have a look at this document, I will seek advice from my agency in relation to it and the appropriate process will be followed.

**The Hon. JOHN GRAHAM:** Finally, you agree with me on that principle—

**Mr ANDREW CONSTANCE:** Hang on—if there is something to be answerable for. I mean, you are putting those allegations. I have sat here this morning and I have not necessarily been able to even marry up what was out in the public domain with the community consultation in relation to the corridor. When the corridor was put out it had lines on maps—on Transport documents.

**The Hon. JOHN GRAHAM:** Yes, very broad lines, as usual.

**Mr ANDREW CONSTANCE:** They are but they then refine them down to individual property owners.

**The Hon. JOHN GRAHAM:** You agree with me, though, on this principle: In the transport planning space and in the roads space, before the announcement gets made, before the curtain comes up on the route, before

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the money gets made out of the land speculation that happens overnight, no-one should know—no developer and no company. Do you agree with that principle? That is just how it works, isn't it?

**Mr ANDREW CONSTANCE:** Absolutely, but the key point that I would make—which is why I do not go meeting with property developers, particularly around those types of issues—is that when you go out to a community and say "here is a corridor" quite often the corridor strategy will be refined to mitigate against the number of houses that might be taken, the number of property licences and whether there are areas where there are no properties, homes or those types of things. That is an important factor in this. You would have to ask the transport planners of their specific processes, and that is fine.

**The Hon. JOHN GRAHAM:** We will ask some questions. To be clear, my concern is that if we agree on that principle, somehow that company knew—

**Mr ANDREW CONSTANCE:** Yes, but I do not know what that company knew.

**The Hon. JOHN GRAHAM:** Somehow they drew that map.

**Mr ANDREW CONSTANCE:** I do not know what the company knew at the time because I did not have any engagement with the company. You produced a document this morning with another agency involved—not Transport. You have not produced a document that says that Transport was engaged by Country Garden.

**The Hon. DANIEL MOOKHEY:** Minister, what is the forecast final cost of the Metro West project?

**Mr ANDREW CONSTANCE:** The forecast final cost?

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

**Mr ANDREW CONSTANCE:** The final cost will be when we sign a contract.

**The Hon. DANIEL MOOKHEY:** What is your current estimate of the Metro West project?

**Mr ANDREW CONSTANCE:** I will take that on notice, but again there are still investigative works going on, Daniel.

**The Hon. DANIEL MOOKHEY:** Sure, but you are provided with those updates at least annually, if not quarterly.

**Mr ANDREW CONSTANCE:** This is going to be a very big project that will be built over 10 years. Quite often my view in relation to those types of things is that we like to have cost ranges in place because we want to go to market and deliver competitive tension to try and get the best value for taxpayers. There is going to be an evolution of the costs associated with a 10-year project that will go through various property and contractor market cycles. Again it is a very big project in terms of its magnitude but it is one that the State can afford because the financial footprint will be over a 10-year period.

**The Hon. DANIEL MOOKHEY:** Minister, I appreciate the fact that you said that it is in cost range and I appreciate the fact that you now accept that it happens over contractor cycles. What are the cost ranges that have been given for the Metro West project?

**Mr ANDREW CONSTANCE:** Sorry?

**The Hon. DANIEL MOOKHEY:** What are the cost ranges that you are operating in when it comes to the Metro West project?

**Mr ANDREW CONSTANCE:** Again, those cost ranges will be informed by existing market conditions and the state of the contractor market. We have one of the largest, if not the largest, infrastructure pipelines and projects programs in the world. Ultimately I do not carry much weight in those cost estimates. I carry weight once we get into the procurement processes. We get the true feedback from the market when they are actually bidding for the work, which is why I am very disciplined around saying that the final cost for a project will be when the final contract is signed and then we can inform the community. That is when you get questions around costs. What you are trying to do is suggest, "Here is the final price tag," when it is really just a guide as to where the project might come in.

**The Hon. DANIEL MOOKHEY:** I appreciate the advice. Minister, previously when we have asked about this, including in a few of the exchanges that you and I have had over the years, you have said that 2030 was the target, but we have learned that it is now 2033.

**Mr ANDREW CONSTANCE:** No, you are wrong.

**The Hon. DANIEL MOOKHEY:** You can tell me I am wrong, but let me just ask this: Is it going to be opening in 2030, is it going to be opening in 2033 or what year will it be opening in its entirety?



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**Mr ANDREW CONSTANCE:** We have already started the project.

**The Hon. DANIEL MOOKHEY:** That is good, but when is it going to finish?

**Mr ANDREW CONSTANCE:** Well, 2030. That is when this project will be built by.

**The Hon. DANIEL MOOKHEY:** Operating and complete in totality by 2030?

**Mr ANDREW CONSTANCE:** That is what happens when you complete a project.

**The Hon. DANIEL MOOKHEY:** Good to hear. Does the latest integrated baseline review show a 30 per cent spike in the estimated cost range?

**Mr ANDREW CONSTANCE:** Sorry, can you repeat the question?

**The Hon. DANIEL MOOKHEY:** Is your latest integrated baseline review for the Metro West project reporting that there has been a 30 per cent increase in the cost range?

**Mr ANDREW CONSTANCE:** I will take that on notice.

**The Hon. DANIEL MOOKHEY:** Given that the cost estimates that have previously been outlined range from \$25 billion or upwards, how much has been funded to date?

**Mr ANDREW CONSTANCE:** If you go to the forward estimates it is spelt out in the budget papers. It is a matter of public record.

**The Hon. DANIEL MOOKHEY:** Last time you said you were expecting Treasury to have that dialogue with the Commonwealth Government. Have you had a funding investment from the Federal Government yet?

**Mr ANDREW CONSTANCE:** No, but I do recall that the last time Labor tried to build Rozelle Metro you had to give money to the Commonwealth for all of the geotech work that you did not do, so it is probably weak territory for you right now.

**The Hon. DANIEL MOOKHEY:** Minister, to be fair, you have been telling us for three or four years now that the Commonwealth is coming to the rescue when it comes to paying for this project. I just want to know when will the cavalry that is the Commonwealth's dollars be arriving?

**Mr ANDREW CONSTANCE:** I have never said that the Commonwealth is coming to the rescue. Come on, Daniel. I have never said that. Don't be silly.

**The CHAIR:** I will ask one short question before I hand back to my colleague Ms Faehrmann. In relation to conservation offsets, I assume that you have seen recent reports in relation to offsets that were promised many years ago—before you tell me that that was in a Labor government, I am well aware—that have never been delivered. I just wanted to know what your department has been doing in relation to ensuring that the offsets in relation to major Transport projects actually come to fruition.

**Mr ANDREW CONSTANCE:** Well, again, we work through the appropriate environmental impact statements [EISs] around our projects and we have to adhere to the Biodiversity Conservation Act, which is informed by the Environment Protection and Biodiversity Conservation [EPBC] Act at a national level. Particularly when there is a requirement to, the appropriate environmental assessments are undertaken. There is a classic example of this on the M4 with the Roper Road exit. The department has to meet the requirements in terms of the offsets, like everyone else.

**The CHAIR:** You would think so, and yet—

**Mr ANDREW CONSTANCE:** Have you got an example of where they have not?

**The CHAIR:** Sure: the M7. Fifteen years later, we still have not got that conservation offset in place.

**Mr ANDREW CONSTANCE:** We did not build that. That was built by the Commonwealth.

**The CHAIR:** I am well aware, but presumably the obligations continue in your department.

**Mr ANDREW CONSTANCE:** But that was built by the Commonwealth.

**The CHAIR:** With a condition on it that an offset be put in. That offset still has not been put in. Are you saying that once a Labor Government is out, your department does not need to worry about those offsets?

**Mr ANDREW CONSTANCE:** We were not responsible for the project.

**The CHAIR:** Are you saying that you are not responsible for the offsets? That once there is a change of government—

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**Mr ANDREW CONSTANCE:** On a project that we did not build.

**The CHAIR:** When there is a condition on a project for it to be built—

**Mr ANDREW CONSTANCE:** But that is an obligation of the Commonwealth, I would have thought.

**The CHAIR:** No, it is not. It is an obligation of your Government. Are you saying that there is no assurance—

**Mr ANDREW CONSTANCE:** Put this to the officials this afternoon. My expectation is that if there is an offset requirement—that it be met. It is important. We love the environment.

**The CHAIR:** You would think so, especially because a lot of the time public opposition is calmed down by saying, "Look, we will have an offset in place." In a lot of cases, particular places that have been identified for those offsets, it has never come to fruition. Do you not think that perhaps we should have those offsets in place before we commence development of new projects?

**Mr ANDREW CONSTANCE:** No, because nothing would get built.

**The CHAIR:** Nothing would get built but—

**Mr ANDREW CONSTANCE:** But the point out of this is that there is a requirement that the offsets be provided. One of the challenges particularly with a calculator is—previously it was like for like. There has been some change to make the Act more workable. But your suggestion that somehow Transport does not meet its requirements under the Biodiversity Conservation Act—I am asking you to provide evidence of that being the case.

**The CHAIR:** Sure. I can table that, if you like.

**Mr ANDREW CONSTANCE:** Yes, great, because I would like to go and have a look at your claim.

**The CHAIR:** Yes, because it is of concern. You would agree?

**Mr ANDREW CONSTANCE:** Yes.

**The CHAIR:** And if that is happening, would you not agree that we need to change the way things are done?

**Mr ANDREW CONSTANCE:** Yes.

**The CHAIR:** Great.

**Mr ANDREW CONSTANCE:** But that is if your allegation is correct.

**The CHAIR:** It is not my allegation. It is in a *The Guardian* article.

**The Hon. SCOTT FARLOW:** Reputable!

**The Hon. SAM FARRAWAY:** Oh, my goodness.

**The CHAIR:** I know. Independent journalism—it is so offensive to your Government.

**Mr ANDREW CONSTANCE:** Sorry. You are asking me to rely on a *The Guardian* article as to whether the agency is meeting or not meeting its biodiversity—

**The CHAIR:** No, I am asking you to rely on your department. I would expect that they would know if they had fulfilled their offset obligations. If you need to take it on notice, please do—

**Mr ANDREW CONSTANCE:** I am happy to, but could you please—

**The CHAIR:** —but I would like to know what your department does to ensure that it meets its obligations.

**Mr ANDREW CONSTANCE:** Hang on a sec. You have just put an allegation out there in an inquiry with no evidence. Like, hello! What is going on?

**The CHAIR:** It is not an allegation.

**Mr ANDREW CONSTANCE:** Well, it is. You just said—

**The CHAIR:** Feel free to refute it with actual evidence, Minister.

**Mr ANDREW CONSTANCE:** But I am not going to refute an allegation that lacks evidence. You have said you have read *The Guardian* and now you are putting an allegation to me. Come on!

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**The Hon. SCOTT FARLOW:** Next it will be the *Green Left* weekly.

**The CHAIR:** Yes—independent journalism.

**Mr ANDREW CONSTANCE:** No, I am not questioning the independent journalism of *The Guardian*. I am questioning your ability to make an allegation with evidence, and you have not done it.

**The CHAIR:** One of us has access to a department and all of the relevant records—and also responsibility for ensuring that an offset is put in place—and one of us does not. I would expect the person with all of that information and resources to be able to answer the question.

**Mr ANDREW CONSTANCE:** Obviously *The Guardian* subscription is serving you well because this is ridiculous.

**The CHAIR:** You do not need to subscribe to read *The Guardian*.

**Mr ANDREW CONSTANCE:** Okay. Well, you obviously have access to Google. Seriously, if you have got an allegation to put that the department has not met its environmental requirements, put it.

**The CHAIR:** These are not allegations. These are questions. This is what budget estimates is for.

**Mr ANDREW CONSTANCE:** Yes, but you cannot say, "I read *The Guardian* and your department is not doing something" when you have no evidence.

**The CHAIR:** I did not. I asked you: Are they? Is this true? Come on. Do you have the evidence?

**Mr ANDREW CONSTANCE:** Peter, is it true that you—

**Mr REGAN:** Thank you, Chair. I do not have the details on that particular environmental offset in front of me; however, we are very happy to give you an update this afternoon.

**The CHAIR:** That would be fantastic. Thank you very much.

**Mr REGAN:** I reiterate that we do try, obviously, to meet all of the requirements of planning approval, so I will give you an update on that.

**The CHAIR:** Thank you, and I am sure you do. I am more interested in the Minister's responsibility for ensuring that that is the case.

**Mr ANDREW CONSTANCE:** Yes, well, I will go around counting trees in the future for you, if you like.

**The CHAIR:** That was a really unhelpful response. I will pass to Ms Faehrmann for her questions.

**Ms CATE FAEHRMANN:** Thank you, Chair. Minister, I just wanted to turn to the reported \$710 million that is being invested, as I understand, into walking and bike sharing infrastructure over the next four years. I have before me that the promise for this current financial year, 2020-2021, is that \$23.892 million of that \$710 million is being spent on active transport. Does that ring a bell, in terms of that approximate amount?

**Mr ANDREW CONSTANCE:** First point: Yes, we are investing \$710 million over the next four years. You would expect it to ramp up, year on year. It is pleasing when some of the areas that are getting money, like Coogee, Lismore and Murray, are good areas that deserve projects and substantial money is going into some of those areas. I am happy to provide you with the information in relation to those projects in those seats, but they are good projects. I sort of do not understand your question. We have allocated the money over the next four years. We have to work with local government in terms of the delivery of those. Quite often there is a complex community consultation process to go ahead, particularly when there is an interface with suburbia and driveways and all of those types of things. But I am very pleased with this announcement; I think it is good and healthy for our community. I think cycling has really taken off, not just here in Sydney but elsewhere around the State, and it is very pleasing to see.

**Ms CATE FAEHRMANN:** I suppose the question—it is almost about \$24 million of a \$710 million budget, but \$24 million is being spent in the first year. Are there councils at the moment requesting assistance to build bike paths or are you suggesting that there is not enough demand there now to warrant more expenditure this first year?

**Mr ANDREW CONSTANCE:** Yes, but the projects are delivered by councils.

**Ms CATE FAEHRMANN:** Yes.

**Mr ANDREW CONSTANCE:** So, what is your point about the councils?

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**Ms CATE FAEHRMANN:** You said before—

**Mr ANDREW CONSTANCE:** Typically what would happen is that the councils would identify projects and need. The community, obviously, is engaged at that point. We are trying to build out a proper cycling network across the board in Sydney. It is not just a case—

**Ms CATE FAEHRMANN:** Are there more councils that are approaching you for contributions to funding for these bike paths at the moment than you are providing money for?

**Mr ANDREW CONSTANCE:** I am not aware of—but I can go back and see what councils are approaching me. I mean, there are some good projects. Take a project like the GreenWay project; we got in and funded that by working with the council.

**Ms CATE FAEHRMANN:** With \$710 million could you be spending more this first year, given that we know that so many more people are walking and cycling as a result of COVID? You are trying to get more people on the road, in terms of cycling.

**Mr ANDREW CONSTANCE:** Separate to that, I have been quite busy putting temporary bike paths into the city and I am hoping that many of those will become a permanent feature. I have been working closely with the City of Sydney on some of those—and other councils. I think part of this is that it is quite often a challenge because you do get, unfortunately, from time to time, a project which does have complexities. The councils have to work through that. Quite often it is local residents who might not want to lose a car park out the front door in return for a bike path. These are the types of challenges—

**Ms CATE FAEHRMANN:** It is not a very ambitious allocation of funding. So, it is an allocation—it is in the budget to just spend \$24 million of \$710 million this first year when there is such a demand for cycling infrastructure. Why is it so unambitious?

**Mr ANDREW CONSTANCE:** Okay, but as part of that money—I mean, it is not \$24 million of \$710 million when we are also building major active transport links around some of our major infrastructure, as well. There is a component in that \$710 million which is factored into that.

**Ms CATE FAEHRMANN:** Do you know how much that is?

**Mr ANDREW CONSTANCE:** I can get you the number, yes.

**The CHAIR:** Thank you. We will now go back to Mr Latham.

**The Hon. MARK LATHAM:** Thank you, Chair. Thank you, Minister. Minister, earlier on you mentioned you were not entirely sure if Daryl Maguire had made representations to your office about the Outer Sydney Orbital and the related tunnel. Can you undertake for the Committee's benefit to check the records and staff in the office to find out what the situation was?

**Mr ANDREW CONSTANCE:** If we are going back to 2017 I can do my best, but I certainly never had any discussion with Daryl Maguire in relation to the Outer Sydney Orbital. I can tell you that now. I can go and do my best and have a go. Let me try. I have had high staff turnover since 2017, so let me try to find out that answer, yes.

**The Hon. MARK LATHAM:** Thanks for that. Earlier on you said that you do not meet with property developers. But you did meet with another Maguire client, did you not—Louise Waterhouse, a property developer at Badgerys Creek?

**Mr ANDREW CONSTANCE:** Yes, that was obviously disclosed through my diary. Again, it was pretty much, if I recall correctly—and I will have to go back again and get the file note—that meeting was around the Western Sydney Airport. So, again, I am happy to provide you with advice in relation to that meeting.

**The Hon. MARK LATHAM:** But why did you break your rule of not meeting with property developers to meet with Louise Waterhouse?

**Mr ANDREW CONSTANCE:** Again, I will go back and check the file note at the time. But if I recall correctly, there was obviously a lot of effort in relation to the airport and getting employment lands off the ground at the time. But I will go back and check for you.

**The Hon. MARK LATHAM:** Did Daryl Maguire lobby you about that or any other matter?

**Mr ANDREW CONSTANCE:** No.

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**The Hon. MARK LATHAM:** Just coming back to the political management meetings that Jai Rowell and Chris Patterson convened with the Premier, attended by yourself and Minister Pavey, have you got a recollection of the Premier chairing those meetings in her or any other office?

**Mr ANDREW CONSTANCE:** No, I cannot recall the meetings, but I am not saying they did not happen. But we are going back a fair way. I have been involved in a lot of meetings with MPs over the years who make representations—

**The Hon. MARK LATHAM:** She is more than just an MP; she is the Premier.

**Mr ANDREW CONSTANCE:** Yes, but you will also recollect at that time that the issue was pretty red hot in those communities, and it was a pretty public issue in terms of the community angst and concern about property take and housing being taken in that area. That is a matter of record. And, again, given the very nature of those seats, it is entirely appropriate for the Leader of the Government to be, obviously, involved in those types of issues.

**The Hon. MARK LATHAM:** Can you undertake for the Committee's benefit to check your records about those meetings that I have referred to and, again, report—

**Mr ANDREW CONSTANCE:** Yes, no worries.

**The Hon. MARK LATHAM:** They were between March and June of 2018.

**Mr ANDREW CONSTANCE:** Okay, I will go back and have a look.

**The Hon. MARK LATHAM:** Thank you. Do you recall newspaper publicity, an article by Jennifer Sexton in *The Sunday Telegraph* on 5 June 2018 highlighting the fact that Country Garden had advance knowledge of the Outer Sydney Orbital route and were lobbying for an interchange at their Cawdor Road site?

**Mr ANDREW CONSTANCE:** No, I do not recall that article.

**The Hon. MARK LATHAM:** Do you recall Luke Foley, the Opposition leader at the time, raising the matter in Parliament and publicly saying they were the "Nostradamus" of land developers?

**Mr ANDREW CONSTANCE:** I did not pay much attention to what Luke Foley was saying—

**The Hon. SHAYNE MALLARD:** No-one did.

**Mr ANDREW CONSTANCE:** But, again, I cannot recollect any of that, Mark. The bottom line as far as I was concerned is you had a very upset community because there was a need to put a major motorway and rail lines through it. Again, there were efforts on the part of Government to mitigate against the number of houses that were going to be taken and the notion and concept of trying to keep communities together. That is all I can seriously recollect at that time. That is genuine. That is a genuine thing for Government to be doing in terms of this.

There is no doubt, if you look at what has got to happen in that area, we do need to have these corridors protected, and this is why only recently we have announced the gazettal of the rail corridors. I think it is important. We do not want to have to retrofit areas, and where we can, as much as possible, minimise the cost for future governments in terms of trying to build this infrastructure. I mean, this is infrastructure that is not going to be built next week; this is going to be infrastructure that is going to be built in many, many years to come. When you go out and do this type of stuff, there is hardship brought upon the community, and people quite often do need to be engaged in relation to their own homes. That is what was very much the intention of those meetings at that time.

**The Hon. MARK LATHAM:** Are you concerned now that the Government made a decision about the tunnel and the likelihood of an interchange south-east of Cawdor Road that would have benefited Country Garden, a client of Daryl Maguire?

**Mr ANDREW CONSTANCE:** I am going to give you the same response that I gave Mr Graham. I am happy, with Peter Regan, to go away and have a look at that. But I have been presented with this document this morning that I have never seen. I am not aware of that approach between Country Garden and the Greater Sydney Commission.

**The Hon. MARK LATHAM:** About the tunnel?

**Mr ANDREW CONSTANCE:** Yes, I am happy to go away and have a look at that.

**The Hon. MARK LATHAM:** Okay. Are you aware of the public knowledge earlier this week that Tim Raimond, the executive director of transport planning at Transport for NSW, had a briefing from Clare Gardiner-Barnes in July 2018 and wrote a note to himself as follows: "Outer Sydney Orbital discussed with

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Matt Vane-Tempest. Chinese investor buying up land—who has been talking to who? What MPs being briefed. how did Daryl Maguire get that info (Wagga)?" Minister, have you spoken to Tim Raimond about this to find out what the information was—obviously sensitive information—that had leaked out of the system into the hands of Daryl Maguire?

**Mr ANDREW CONSTANCE:** Look, I mean, Tim is going to be before the inquiry this afternoon. Obviously, in terms of that, he will be able to respond to those questions. But, again, these matters, as with all matters relating to Daryl Maguire and property developers, they are the subject of the ICAC, so I do think—

**The Hon. MARK LATHAM:** This matter is not. Minister, do you think, given the concern about propriety here, the fact that Maguire has been exposed as engaging in corrupt conduct, the suggestion inside Transport for NSW that he had access to commercially sensitive information in advance is worthy of you investigating this, at a minimum?

**Mr ANDREW CONSTANCE:** Yes, but, again, I think one of the things that has to be married up there is what might or might not have been in the public domain at the time. You guys have called Tim, and it is only appropriate that he be called, and if you have that question, then fine.

**The Hon. MARK LATHAM:** We will do that, Minister. Do you think, as Minister, that you have a responsibility to check on the propriety of these matters within your own agencies?

**Mr ANDREW CONSTANCE:** I do, Mark, and there is evidence of me doing that.

**The Hon. MARK LATHAM:** In this case?

**Mr ANDREW CONSTANCE:** I have turned up to the Committee today and I am being presented with Greater Sydney Commission documents from 2017. I have given an undertaking—

**The Hon. MARK LATHAM:** I am talking about an email written by your chief transport planner saying Maguire got inside information. I am asking you about something inside your own agency, not the Greater Sydney Commission.

**Mr ANDREW CONSTANCE:** Yes, but, again, I am not going to go into this, but my expectation through the Secretary would be that these matters obviously are examined appropriately. That is the appropriate process and, if need be, the appropriate engagement with the relevant authority if there is action to be taken in that regard.

**The Hon. MARK LATHAM:** Minister, are you aware of an email that Geoff Cahill, in charge of corridor preservation—so the Outer Sydney Orbital—wrote to Tim Raimond on 9 August 2018 as follows: "Rachel Simpson," who managed parliamentary services, "has contacted me and asked if we've spoken to Country Gardens during the corridor identification process," again raising concerns that Country Garden most likely had some inside information?

**Mr ANDREW CONSTANCE:** Again, I have made clear I did not know about Country Garden at the time and what have you, so I am not aware of any of those communications between officials at that level. But, again, this has been sourced, obviously, through the upper House, in terms of that information, and ultimately if the questions are to be put, I am happy to look into it.

**The Hon. MARK LATHAM:** Will you launch a full investigation into the serious matters we have raised today about the security of information of this kind within your agency?

**Mr ANDREW CONSTANCE:** Yes, that is if there has been a breach. But let me reiterate: These allegations are being put about Transport and I need to hear the allegations specifically against Transport. Ultimately, Peter Regan will have a look at this stuff, as Secretary, as is appropriate, and advise me.

**The Hon. DANIEL MOOKHEY:** Minister, I would like to ask you some questions about buying 4-6 Grand Avenue, Camellia, for \$53.5 million. I have just provided you with some documents and I have tendered them as well. As this was your department's largest ever commercial acquisition since you have been Minister, did you have to personally approve the purchase?

**Mr ANDREW CONSTANCE:** Well, you will see from the actual—again, the process around this, and I will get Mr Regan to run through this—

**The Hon. DANIEL MOOKHEY:** That is okay. We will explore with Mr Regan this afternoon.

**Mr ANDREW CONSTANCE:** Okay, the answer is no. But if you want an explanation in relation to that then—

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**The Hon. DANIEL MOOKHEY:** No, we will be asking Mr Regan a number of questions, do not worry. While we have you here, I want to ask you about your involvement. I accept that you did not have to personally approve the purchase—or that is what you have said—but as document A makes clear, you personally did approve buying the land through a compulsory acquisition on 8 April 2016, did you not?

**Mr ANDREW CONSTANCE:** Well, my signature is on the approval, as it is with hundreds of property acquisitions for infrastructure around this State. Hundreds.

**The Hon. DANIEL MOOKHEY:** Sure, I appreciate that, Minister.

**Mr ANDREW CONSTANCE:** I have signed hundreds of these briefs in the six years that I have been Minister.

**The Hon. DANIEL MOOKHEY:** I accept that, Minister. But do you accept that you also signed the brief for this one?

**Mr ANDREW CONSTANCE:** Yes. I also accept that, as you know, in relation to this matter I had made a referral to the Auditor-General and to the ICAC, and that is where I am going to leave it.

**The Hon. DANIEL MOOKHEY:** Sure, Minister. But less than two weeks after you signed the brief to authorise the compulsory acquisition of this land, Transport for NSW did not compulsorily acquire the land; instead, it bought it in a deal with Billbergia, a property developer. That took place within three weeks of you authorising its compulsory acquisition. Did your department tell you that it was ignoring your instructions and purchasing the land directly?

**Mr ANDREW CONSTANCE:** Daniel, I have given a pretty clear indication that I have referred this matter to the ICAC and the Auditor-General. That is the appropriate forum for this matter to be looked at. I am leaving it at that. That is my last answer to your line of questioning on this.

**The Hon. DANIEL MOOKHEY:** Well, you can refuse to answer the questions—that is entirely within your prerogative—but I am going to continue to ask them. Were you told by the department that it was ignoring your order and purchasing it directly in a deal with the developer?

**The Hon. SHAYNE MALLARD:** Point of order: The Minister has said he has referred the matter to the ICAC. I do not think he is even in a position to answer those questions.

**The Hon. DANIEL MOOKHEY:** To the point of order—

**The Hon. SHAYNE MALLARD:** I have not finished my point of order. I do not think he is in a position to answer those questions and he said he will not add to his answers. He has stated clearly that it is with the appropriate authorities so I do not think the line of questioning should continue.

**The Hon. DANIEL MOOKHEY:** To the point of order: The Minister is not excused from his responsibility to answer to Parliament.

**The CHAIR:** I advise the Minister that he can say that he has completed that answer. It is up to Mr Mookhey whether he wants to pursue it further in light of that answer.

**The Hon. DANIEL MOOKHEY:** Sure, thank you. Minister, did you ever discuss the purchase of this land with Mr Tim Reardon?

**Mr ANDREW CONSTANCE:** I have answered these questions.

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

**Mr ANDREW CONSTANCE:** I ask you to respect the appropriate processes around this, Mr Mookhey. You are not the ICAC; you are not the Auditor-General. I understand that you are the super sleuth of the Labor Party in the upper House, but I have clearly demonstrated in a very public way my actions around this. I ask you to respect that process because it is important that the community has absolute confidence in the actions of Transport around these issues.

**The Hon. DANIEL MOOKHEY:** I appreciate that, Minister.

**Mr ANDREW CONSTANCE:** No, well you might appreciate that but, again, in light of the other questions that have been asked of me this morning, I hope that I have clearly demonstrated that I do not muck around with these issues. I would just ask you—

**The Hon. DANIEL MOOKHEY:** Thank you, Minister. I am going to continue my questioning—

**Mr ANDREW CONSTANCE:** —to maybe ask some questions about Transport.

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**The Hon. DANIEL MOOKHEY:** I am. I am asking about your purchase of this land from a developer. After your department bought the land, in breach of your departmental policies, it then hired Colliers to value it. If you turn to document C—

**Mr ANDREW CONSTANCE:** I am not going to turn to document C.

**The Hon. DANIEL MOOKHEY:** —you will see that Colliers stated that you would have paid more than \$25 million had your department followed your instructions to compulsorily acquire the land.

**The Hon. SHAYNE MALLARD:** The Minister has referred the matter to the ICAC.

**The Hon. DANIEL MOOKHEY:** Your failure to ensure that your department pursued the compulsory acquisition cost taxpayers \$25 million, which was effectively a windfall gain to Billbergia, was it not?

**Mr ANDREW CONSTANCE:** You seriously are being offensive today. Out of all the budget estimates, this has probably been your worst performance, Daniel.

**The Hon. JOHN GRAHAM:** You do not get to sack him, Minister. You only get to sack your department chief, not a member of the upper House.

**Mr ANDREW CONSTANCE:** I think you need to listen carefully. If I refer the matter to the Auditor-General and the ICAC, then it is appropriate for them to have a look at these things.

**The Hon. DANIEL MOOKHEY:** But this is a budget estimates hearing, Minister.

**Mr ANDREW CONSTANCE:** And guess what? Once they have done their work, you can have a look at their work—

**The Hon. DANIEL MOOKHEY:** I am looking forward to asking the Auditor-General about this next week. But while you are here—

**Mr ANDREW CONSTANCE:** Well, I am not going to respond to this.

**The Hon. DANIEL MOOKHEY:** —at a budget estimates hearing, I would like you to explain why your department's failure to implement your instructions cost taxpayers \$25 million at least and resulted in a windfall gain to a western Sydney property developer.

**Mr ANDREW CONSTANCE:** I refer to my previous answer.

**The Hon. DANIEL MOOKHEY:** Sure. Minister, if you turn back to the brief that you signed—

**Mr ANDREW CONSTANCE:** And I will refer you again to my previous answer—

**The Hon. DANIEL MOOKHEY:** —on the second page it clearly says—

**Mr ANDREW CONSTANCE:** And again.

**The Hon. DANIEL MOOKHEY:** —the subject site is contaminated and is listed on the Environmental Protection Authority register. Compulsory acquisition of the site—

**Mr ANDREW CONSTANCE:** Most sites in Camellia are contaminated.

**The Hon. DANIEL MOOKHEY:** —would be on an as is basis with Transport for NSW dependent on the Valuer General making an allowance for site clean-up and a site audit statement for suitable use and the determination of compensation. Transport for NSW will then need to undertake—

**Mr ANDREW CONSTANCE:** I think you gave all those documents to the Herald, didn't you, Daniel?

**The Hon. DANIEL MOOKHEY:** —the remediation works to a level suitable for the depot's use. Minister, you were clearly warned that the land was contaminated.

**Mr ANDREW CONSTANCE:** Do you know what, Daniel?

**The Hon. DANIEL MOOKHEY:** Your department told you that it would pay to clean it up.

**Mr ANDREW CONSTANCE:** I have a newsflash for you, Daniel: Contaminated lands are at Camellia, mate.

**The Hon. DANIEL MOOKHEY:** The question is, Minister: Did you ever inquire with your department what the cost to taxpayers would be to clean up Billbergia's land?

**Mr ANDREW CONSTANCE:** Same answer as above, mate.



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**The Hon. DANIEL MOOKHEY:** So, you are not in a position to assure us that you did the most basic of tasks, which was to ask your department how much taxpayers would pay to clean up polluted land that you were buying from a developer?

**Mr ANDREW CONSTANCE:** I have news for you, Daniel: We are actually in the market to resolve the cost of this clean-up right now, so until I have that number, which I do not have because it has not been finalised—

**The Hon. DANIEL MOOKHEY:** Well, let me help you there, Minister—

**The Hon. SCOTT FARLOW:** Let the Minister answer.

**Mr ANDREW CONSTANCE:** —then I am happy to be accountable for it.

**The Hon. DANIEL MOOKHEY:** Thank you, but let me help you, Minister—

**Mr ANDREW CONSTANCE:** Just hang on, do you want an answer?

**The CHAIR:** Order!

**The Hon. SCOTT FARLOW:** Let the Minister answer. He is actually going to answer to your question.

**Mr ANDREW CONSTANCE:** I gave you a relevant answer just then, Daniel.

**The Hon. DANIEL MOOKHEY:** I am just as shocked as you are, Minister.

**Mr ANDREW CONSTANCE:** You poor fellow. I am very sympathetic to you.

**The CHAIR:** Did you want to finish your response?

**Mr ANDREW CONSTANCE:** No, because he interrupted me.

**The Hon. DANIEL MOOKHEY:** I am sorry. Just listen carefully this time, Minister, and we will see how we go. Let me help you. Your department has said publicly that the cost to clean up the land is at least \$52 million.

**Mr ANDREW CONSTANCE:** Wait, I do not know—

**The Hon. DANIEL MOOKHEY:** No, it has.

**Mr ANDREW CONSTANCE:** I think you and Minnsy were out there saying it was \$300 million.

**The Hon. DANIEL MOOKHEY:** No, Minister—

**Mr ANDREW CONSTANCE:** Mate, you said it was \$300 million.

**The CHAIR:** Order!

**Mr ANDREW CONSTANCE:** You publicly said it was \$300 million

**The Hon. DANIEL MOOKHEY:** Just calm down, Minister.

**Mr ANDREW CONSTANCE:** No, you are throwing numbers around.

**The Hon. DANIEL MOOKHEY:** Just calm down.

**The CHAIR:** Order!

**Mr ANDREW CONSTANCE:** I am entitled to because you go out there and say \$300 million and you think that is fact.

**The Hon. DANIEL MOOKHEY:** Minister, I am giving you the opportunity now—

**Mr ANDREW CONSTANCE:** You have theses in your head.

**The CHAIR:** Order!

**The Hon. DANIEL MOOKHEY:** No, I am giving you the opportunity to—

**Mr ANDREW CONSTANCE:** Seriously, all icing and no cake.

**The CHAIR:** Order! I point out that it is incredibly difficult for Hansard to record proceedings accurately when you are both talking at the same time. If we could let Mr Mookhey ask the question and then let the Minister answer it.

**Mr ANDREW CONSTANCE:** Hear, hear!

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**The Hon. DANIEL MOOKHEY:** Minister, your department has publicly said that it has already signed contracts with Ventia worth \$52 million to clean it up, but Ventia has made additional claims. How much has Ventia claimed in addition to the \$52 million for the cost of cleaning up this polluted land?

**Mr ANDREW CONSTANCE:** Gee, do you know what is funny about that? I answered that question about three questions ago and you did not listen.

**The Hon. DANIEL MOOKHEY:** So why do not repeat it now, Minister?

**Mr ANDREW CONSTANCE:** No.

**The Hon. DANIEL MOOKHEY:** How much, in addition—

**Mr ANDREW CONSTANCE:** I refer you to my previous answer.

**The Hon. DANIEL MOOKHEY:** Can you guarantee that the cost is not going to be more than \$52 million?

**Mr ANDREW CONSTANCE:** No, I refer you to my previous answer.

**The Hon. DANIEL MOOKHEY:** I am just asking you whether you can guarantee that the cost of cleaning up this land you bought from a developer will not be any higher than \$52 million.

**Mr ANDREW CONSTANCE:** Mr Mookhey, about five questions ago now you asked me this specific question and I indicated to you that the final cost is yet to be known. I stand by that answer.

**The Hon. DANIEL MOOKHEY:** You accept that this deal was a disaster and it—

**Mr ANDREW CONSTANCE:** You said it was \$300 million and I am telling you that you are wrong.

**The Hon. DANIEL MOOKHEY:** —saddled taxpayers with polluted land that we are now having to fork out tens of millions of dollars to clean up because fundamentally you were derelict in your duty. Correct?

**Mr ANDREW CONSTANCE:** You know what? I reckon Camellia is an appropriate site for a rail stabling yard because far better there than maybe taking hundreds of homes in the centre of Parramatta, would you not agree? Now there is an idea. Hello?

**The Hon. JOHN GRAHAM:** Minister, I promised that we would come back to the question we were talking about before—black spot funding, and I want to thank you for the information you put on the record—

**Mr ANDREW CONSTANCE:** You are very welcome.

**The Hon. JOHN GRAHAM:** —because we were interrupted. That information is not public but you have updated the Parliament.

**Mr ANDREW CONSTANCE:** Sorry, what information is not public? The Safer Roads Program?

**The Hon. JOHN GRAHAM:** Yes. This reporting is quite irregular. We would like to see it reported more often.

**Mr ANDREW CONSTANCE:** You sound like you are struggling with your public response because you look silly because you did not ask Bernard to the Committee—

**The Hon. JOHN GRAHAM:** Minister, can I put the question to you—

**Mr ANDREW CONSTANCE:** —and you should have asked Bernard to the Committee.

**The Hon. JOHN GRAHAM:** This is what is on the public record, this is black spot funding over your government.

**Mr ANDREW CONSTANCE:** The program has changed.

**The Hon. JOHN GRAHAM:** It started 2013-2014 at \$28.8 million—

**Mr ANDREW CONSTANCE:** This is budget estimates 2020-21.

**The Hon. JOHN GRAHAM:** Minister, I just want to check that we agree on these facts.

**Mr ANDREW CONSTANCE:** In 2013 I was disability Minister. Seriously?

**The Hon. JOHN GRAHAM:** This is the record: \$28 million, it fell to \$23 million, then it rose to \$25 million.

**Mr ANDREW CONSTANCE:** You sound like you are struggling.

## UNCORRECTED

**The Hon. JOHN GRAHAM:** It fell to \$18 million, fell to \$16 million—

**Mr ANDREW CONSTANCE:** I gave you the budget of \$280 million, John.

**The Hon. JOHN GRAHAM:** It has now fallen to \$13.8 million.

**Mr ANDREW CONSTANCE:** \$280 million.

**The Hon. JOHN GRAHAM:** Stop interrupting, Minister. The public would be concerned by that. Do you dispute—

**Mr ANDREW CONSTANCE:** No, I think the public is concerned that you cannot get your facts right. As an alternative government you are failing.

**The Hon. JOHN GRAHAM:** Minister, over these years—

**Mr ANDREW CONSTANCE:** Do not get angry; it is not a good look on television if you are angry—I have been there.

**The Hon. JOHN GRAHAM:** —the name did not change.

**The CHAIR:** Order! Nobody can hear anything. I ask members of the Opposition to stop intervening.

**The Hon. SHAYNE MALLARD:** It is actually the Government.

**The CHAIR:** Yes, the Government. Thank you for dropping yourselves in.

**The Hon. SHAYNE MALLARD:** I know it is wishful thinking on your part.

**The CHAIR:** If you could all stop interrupting that would be very helpful, including you, Minister. Please, ask your question again.

**The Hon. JOHN GRAHAM:** Six years of funding, the name does not change, the funding drops consistently over that time.

**Mr ANDREW CONSTANCE:** That is your assertion. If Bernard was here—

**The Hon. JOHN GRAHAM:** They are your document's numbers. Do you dispute any of those?

**Mr ANDREW CONSTANCE:** John, you put out a press release overnight which had the wrong figure and I fixed it for you, so you should be grateful. If you had asked Bernard to come along—and there was one other point that you made in relation to police overtime being paid for.

**The Hon. JOHN GRAHAM:** We will come to this with your agency.

**Mr ANDREW CONSTANCE:** Guess what? Guess who did that when they were last in government? You guys did through the RTA. Hello?

**The Hon. JOHN GRAHAM:** We will go through the details.

**Mr ANDREW CONSTANCE:** You want to rewrite history that you did not do these things when you did.

**The Hon. JOHN GRAHAM:** Minister, would you support greater scrutiny of this fund? Would you support it being out in public more?

**Mr ANDREW CONSTANCE:** Yes.

**The Hon. JOHN GRAHAM:** You want to prioritise roads. Should this not be out in public?

**Mr ANDREW CONSTANCE:** One hundred per cent, and you know what? There is the document and, you know what, you had an opportunity to scrutinise and have the accountability by having Bernard here, and you chose not to bring him. I do not understand this. You go out in the media first, make the claims and then I have to come here and correct it. I had to put out a public statement, too, which sort of annoyed me, half an hour before budget estimates, but I did that for you.

**The Hon. JOHN GRAHAM:** Minister, the public would be concerned—

**Mr ANDREW CONSTANCE:** I am making sure that I get some Twitter messages out there, too.

**The Hon. JOHN GRAHAM:** —that this is falling through the floor while revenue is rising. That is what these numbers clearly tell.

## UNCORRECTED

**Mr ANDREW CONSTANCE:** John, I am going to be very serious with you for a minute. If fine revenue is increasing it means people are speeding, which means people are at risk. I make no apologies for speeding fines. We need to move away in a bipartisan way to actually working out how to save lives together, right? That is my challenge to you. Because having been involved in a head-on, having dealt with the families over the last 12 months that I have had to deal with—and you have been there, too, I acknowledge that—we have got to find a better way. We have been involved in it over the years, you are involved in it now—we cannot keep belting each other over the heads over this. People do not understand how bad road trauma is. There are 11,000 people who have to go to hospital every year.

I absolutely agree with you in terms of the accountability of where those moneys go and how they are being expended. I did read the advice given to me by Bernard for you onto the record, and there is a very clear program at the moment in terms of the audio tactiles, because we know that, particularly on country roads, they are good. Could I very publicly just ask you to work with me on it instead of this situation? I will give you an example. The mobile speed cameras, I understand you took a position in relation to the signage because of a spokesperson from the NRMA—

**The Hon. JOHN GRAHAM:** Minister, my colleague has got some questions in this area.

**Mr ANDREW CONSTANCE:** John, please let me finish. As Minister, I was given advice that if I took that action, up to 43 Australians' lives would be saved. I think that is a no-brainer to take the signs off, because I can save those lives. Yes, there is this viewpoint across the community: "How dare you overregulate us and how dare you monitor us in this way?" but we have to create an environment that the moment you back a car out you can be caught anywhere, any time on the road network for speeding, drug taking, mobile phones and, of course—

**The Hon. JOHN GRAHAM:** You have been given similar information about point to point cameras. Will you turn those on for cars, given the advice you have in front of you about the lives that will be saved?

**Mr ANDREW CONSTANCE:** Again, in a bipartisan way, I presume that is Labor's policy to turn those cameras on.

**The Hon. JOHN GRAHAM:** I am asking you what your policy position—

**Mr ANDREW CONSTANCE:** We do not have a policy position at the moment. I have got to, obviously, with those issues work with the Centre for Road Safety and my ministerial colleague Paul Toole, who I have enormous regard and respect for. So, please, I would ask of you—we are expending energy in the wrong ways, having to deal with information out there which, quite frankly, is not true to the communication that needs to go out about this. Mick is from the country; he understands the pressures that country communities have with road trauma. I just think the big thing is—

**The Hon. MICK VEITCH:** I have got a couple of questions I want to ask about the fund, if I can, Minister, and more about your role, because the accountability and transparency around this fund is, I think, pretty important for getting the message out about road safety as well. You are the Minister responsible for the fund— or do you share that responsibility with Mr Toole?

**Mr ANDREW CONSTANCE:** The Centre for Road Safety—again, this is the point I would make— have the expertise, I do not; I am a politician. That is why I am a little bit agitated about you guys not calling Bernard here because Bernard can specifically explain to you why he might make a decision in this way in relation to how this funding is spent, and it is based on evidence and it is based on world's best practice. I do not know if you have seen this document, which John said he had, but there is the progress report and we are at a point where, unfortunately, in the last 12 months community behaviour has not been ideal in relation to speeding. It is up 10 per cent as a contributing factor to fatalities, and a lot of them are happening in the bush.

**The Hon. MICK VEITCH:** That is the importance of this fund, though, Minister, is it not?

**Mr ANDREW CONSTANCE:** Mick, were you here when I gave the advice of Bernard before?

**The Hon. MICK VEITCH:** I was. I understand Bernard's and the centre's view, but do they report to you or do they jointly report to Minister Toole and yourself?

**Mr ANDREW CONSTANCE:** Both of us. Paul is in charge of regional roads and I am in charge of, obviously, city roads, but they are different issues. We have challenges with mobile phones in the city; in the bush they have problems with speeding and fatigue and also mobile phones, but I think the point out of it is I am confident in, obviously, the program; if you guys need more detail on it we do not necessarily even need to go through a budget estimates process to do that. I will make Bernard available to sit down with you guys and go line item by line item and let him explain why the decisions are being made in the way that they are.

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**The Hon. MICK VEITCH:** With regard to the expenditure, do you have to sign off on his recommendations for expending the funds or—

**Mr ANDREW CONSTANCE:** The key point is that Bernard will come in and give the advice on a raft of issues, and it is not just through the Community Road Safety Fund. But I am not going to knock him back.

**The Hon. MICK VEITCH:** Does he come in once a year and say this is—

**Mr ANDREW CONSTANCE:** No, no, he is in all the time. I meet with him regularly.

**The Hon. MICK VEITCH:** —or does he present you with individual projects that you then have to sign off on?

**Mr ANDREW CONSTANCE:** Ministerial briefs will come up from time to time and I will sign them. But the point of it is we directly engage with him all the time. We have done some good things, which you guys have backed in over recent times, to try and save lives.

**The Hon. MICK VEITCH:** The rumble strips are just fantastic in the regions.

**Mr ANDREW CONSTANCE:** That money is coming from the Community Road Safety Fund, which is fine revenue.

**The Hon. MICK VEITCH:** My role here is actually to just get an understanding of how that fund sits and how it operates.

**Mr ANDREW CONSTANCE:** Separate to this, I will make Bernard available to you guys to go through line item by line item in relation to the report and the program. That will help.

**The Hon. MICK VEITCH:** That would be really appreciated, Minister. I just want to be clear, though, you sign off on the required expenditures when he comes in with his brief for certain projects.

**Mr ANDREW CONSTANCE:** I typically—again, I am dealing with the macro numbers. He is dealing with the micro program approach. I will back him to the hilt. But in some cases there has got to be a degree of agility in this. I mean, innovation is moving so quickly. We were the first in the world with mobile phone detection cameras. The rate of compliance compared to the trials is truly remarkable and the way that the community has behaved is fantastic. Well done to the community for doing so. We need them to change their behaviour in relation to speeding.

**The Hon. MICK VEITCH:** And fatigue management.

**Mr ANDREW CONSTANCE:** But particularly speeding at the moment because it is up close to 50 per cent as the contributing factor to road deaths.

**The Hon. MARK BANASIAK:** I have one brief question. You brought up the issue of the railway corridors and you said that you have just gone ahead and gazetted them.

**Mr ANDREW CONSTANCE:** Sorry, Rob Stokes has to gazette them.

**The Hon. MARK BANASIAK:** I do note that Transport for NSW has actually written to some of these residents and said, "It is going through your property. We do not know when, but obviously if you want to opt out early and get out early we will take your land", which I agree is a fair and sensible approach. Is this a unique approach or something that is shared across the departments?

**Mr ANDREW CONSTANCE:** I think part of this challenge, Mark, is that because we are dealing with the building of a brand-new city—we do have to learn from some of the years that we have seen previously. I mean, the Wran Government sold a lot of corridors off, which is why we have had to build close to 100 kilometres of tunnels at this point in time in and around Sydney. So I think we would be derelict in our duties if we did not actually let the community know where this is going. Because we are dealing with an urban fringe, typically there are, again, large landowners and ex-farmers—these types of things—which is a real challenge.

We have also seen the city grow at such an incredible rate on its fringes, so it makes absolute sense for us to be looking at how and where—and I do not necessarily have the time frames for all of these projects and when they will be built. That will be a decision of a future Minister and a future government. But I think it is only fair that if we do go into a community we say, "Right, this is going to be the route of such and such project in the future." Then we assist people who might want to give up their home at that point.

**The Hon. MARK BANASIAK:** I agree it is there. I would ask that you actually talk to your colleague, Mr Stokes, and suggest that he adopt the same policy instead of sterilising land in the aerotropolis for an indefinite period and not tell them when, where and how they may be coming to actually—

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**Mr ANDREW CONSTANCE:** We have a Future Transport 2056 document, which is again designed to give as much confidence to the community as to the sort of rough decade time frames that projects might be built in. But with the parkland city, one of the key challenges will be—the very nature of the airport is something which is going to determine ultimately some of those employment lands and residential uptake in that area, but we want to build a rail line and have it built by the time the airport is open, between St Marys and the airport. That does unfortunately mean us having to take some properties, which we are seeing with Orchard Hills.

**The Hon. MARK BANASIAK:** My issue is not with that. My issue is with the inconsistency of your fair policy in compulsory acquisition compared to a seemingly unfair policy that is coming out of the planning department. I would just ask that you maybe show your fair policy to Mr Stokes and kindly suggest that he might adopt a similar approach.

**Mr ANDREW CONSTANCE:** I do not know the specifics around what you are talking about with sterilisation and Rob Stokes and the aerotropolis.

**The Hon. MARK BANASIAK:** He is very well aware of it.

**Mr ANDREW CONSTANCE:** I am sure he is, but he can obviously be accountable for that at his hearing. I do think we need to make sure that, if we are going to take property into the future and we flag that now, we do give some option to people like that.

**The Hon. MARK BANASIAK:** I will turn towards a bit of the maritime stuff and the Boating Now program. The Stuarts Point boat ramp received a \$250,000 grant under Boating Now as a part of a larger foreshore development. Is the Minister aware that that essentially is being wasted because local council is being stymied by National Parks and other State agencies such as WaterNSW, which will not actually allow them to dredge a small section which will actually allow the boat ramp to be operated at both high and low tide?

**Mr ANDREW CONSTANCE:** I am not aware of the specifics on that individual project, but I am happy to go and have a look at it for you.

**The Hon. MARK BANASIAK:** Because that ramp is largely useless, a lot of recreational boaters are now using a boat ramp around the corner basically at Fishermans Reach, which is in serious need of repair. Has Kempsey council made any representations to your department about applying for Boating Now funding for that?

**Mr ANDREW CONSTANCE:** Again, I will take that on notice. I do not know.

**The Hon. MARK BANASIAK:** Specifically about figures that are collected via recreational boating fees and personal watercraft [PWC] registration fees—why is it that the Transport for NSW website is reporting 2012-13 figures as its most up-to-date data in terms of what has been gathered from those fees?

**Mr ANDREW CONSTANCE:** I think it is fair to say in more recent times that there is a process involving Treasury in terms of the release of the funds, which we have had to work through. I will get that updated for you so that that is accountable for boat licence payees and we will put all the numbers up so that there is absolute accountability around that, Mark. That is fine.

**The Hon. MARK BANASIAK:** Has there been a net growth or loss in those boating and PWC fees?

**Mr ANDREW CONSTANCE:** The advice that I have had in more recent times because of COVID is that there has been quite a significant increase in demand for boating licences—like truly remarkable numbers—and that has flowed through to our concern about inexperienced boating practices that are going on in the water. We had too many accidents or fatalities in the last 12 months. So we really do need to change the culture around this. I think there is also this real challenge where people are just ill-prepared. They are not aware of the weather conditions. They do not even understand the dangers of being in cold water at sea and, you know, all these things. We have put in a lot of work through Maritime to do blitzes and what have you and continue to work with the boating community. But, I have to be honest, I am concerned given the huge uptake in licences that we are going to see inexperienced people doing things which might be a momentary lapse in judgement but could lead to more fatalities.

**The Hon. MARK BANASIAK:** That is a concern, but the other concern is how the facilities around the State are keeping up with that demand. I guess I am asking you and the department—

**Mr ANDREW CONSTANCE:** Well, that is why we have put over \$200 million out. It is designed to stimulate COVID jobs in the pandemic and at the same time it is designed to give the infrastructure that is needed across many communities. I think that, particularly when it ties into regional tourism, it is a particularly good way to shelter the seasonal influence that we do see unfortunately in a lot of coastal areas, where the summer period is great and the winter season is—well, it is a great time to get out in the middle of winter, go fishing and everything else, and visit these areas, so we want the infrastructure to be right. We are dependent a lot of the time on councils

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and the other overlay in all of this, which drives me nuts, is the involvement of Crown Lands. So we are very sensitive to how we try and get this out quickly.

We have put the money out. We have identified the projects and my expectation is that everyone moves heaven and earth and gets them built. I do worry because quite often I might go into a regional community and hear that there might be a shortage of civil contractors and what have you to be able to do the work, particularly with fire-affected communities at the moment. I was out at home the other day and Bega Valley Shire Council said to me that they are struggling with a number of contractors around to do some of their work. So we have an ability to try and engage public works advisory to try and help with some of the stuff if it becomes a problem. That is a message that I want the councils to understand because, to your point, everyone wants to see a lot of this boating infrastructure in yesterday and we want to try and deliver it quick.

**The Hon. MARK BANASIAK:** You announced last year the allocation of \$205 million from the Waterways Fund, which included \$25 million to upgrade Manly Wharf, \$9 million to prepare the former Sea Life site, around \$53 million roughly on ferry wharves, some \$8 million for dredging and \$29 million for work at Eden and Tweed Heads. These are all commuter facilities and commuters are essentially already paying through the fees to use those facilities. My question is—

**Mr ANDREW CONSTANCE:** But some of the private operators who run ferries also use them and—

**The Hon. MARK BANASIAK:** You do not have that argument about private—

**Mr ANDREW CONSTANCE:** No, I am talking about some of the charter vessels and things like that as well, in fairness.

**The Hon. MARK BANASIAK:** My question is: Can you guarantee that none of the funds that have come via recreational boating and personal watercraft licences and fees are going to fund these essentially commuter upgrades?

**Mr ANDREW CONSTANCE:** No, we have got a separate budget for the commuters in terms of what we are doing around upgrades.

**The Hon. MARK BANASIAK:** Would you be able to provide on notice the current financial position of the current Waterways Fund with a dissection between what is—

**Mr ANDREW CONSTANCE:** Yes, that is fine. No worries.

**The Hon. DANIEL MOOKHEY:** Minister, I was troubled to learn about Transport for NSW's cyber systems being breached. Can you tell us when you first learned that there has been a data breach at Transport for NSW? What confidence can you give the public that you are personally directing an effort to secure Transport for NSW's IT security?

**Mr ANDREW CONSTANCE:** First of all, I will not go into something as sensitive and serious as this in terms of what I was briefed and what have you. With Cyber Security NSW spearheading this and the engagement with police and other jurisdictions around the world, my expectation is that everything is being done to try to deal with what has occurred. This data breach happened to quite a number of governments and agencies around the world, including as you know a couple in New South Wales. It is not some teenager sitting in a basement somewhere; what has occurred is actually a very serious attack. Unfortunately a lot of documentation has been—sorry, mate, I really want you to listen to what I am saying.

The bottom line is that what has been accessed is very serious. Naturally, as Minister, I am informed. The first and most fundamental question that I asked is what risk there is to human life when these types of circumstances arise. We let the professionals do their work and we are guided by them as to when statements are made publicly. This is a very serious breach and we cannot understate that. But at the same time this is not a case of the Minister directing, telling or any of those types of things about how the professional experts in this field should conduct the operation to try to stymie the activities of the organisation involved.

**The Hon. JOHN GRAHAM:** Great, thank you. I appreciate that answer, Minister. I want to turn back to the M9 Outer Sydney Orbital meetings. You have told us you do not necessarily strongly recall those meetings between April 2018 and June 2018, chaired by the Premier, to discuss this project. Let me put the question to you another way, though. If the Premier had declared a conflict of interest in relation to another MP, Daryl Maguire, you would have remembered that. Is that correct?

**Mr ANDREW CONSTANCE:** The premise of your question is actually wrong. There was a highly contentious political issue in the State electorates of Camden and Wollondilly at the time. I will not sit here and go to the ins and outs of those meetings. I have been asked some specific questions in relation to whether and how I was approached for Country Gardens and all that sort of thing. I have given the Committee that response earlier.

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**The Hon. JOHN GRAHAM:** Yes, and you are taking some of those on notice. I respect that. You cannot recall now—understood.

**Mr ANDREW CONSTANCE:** But I am not here to go through the ins and outs of meetings with MPs, and certainly meetings that go back a very long time ago.

**The Hon. JOHN GRAHAM:** Alright. Minister, I respect the fact that you want to go and check the record on those matters before answering on notice. You may not recall immediately but you would recall if the Premier in one of the meetings that she was chairing declared a conflict of interest about Daryl Maguire, would you not?

**Mr ANDREW CONSTANCE:** I have answered your question, John.

**The Hon. JOHN GRAHAM:** I want to check what the answer is. Is it that you do not recall or that it did not happen?

**Mr ANDREW CONSTANCE:** No, John. I have answered your questions in relation to all of this.

**The Hon. JOHN GRAHAM:** So you do not believe you have to answer that question.

**Mr ANDREW CONSTANCE:** It is very obvious where you are going.

**The Hon. JOHN GRAHAM:** It is very obvious.

**Mr ANDREW CONSTANCE:** Again, the point that I would make is that we had a highly contentious political issue to deal with in terms of those two seats. You do not need to be a psephologist to work out they are marginal seats. Obviously the Government is very sensitive to an upset community as we try to resolve future road and rail projects and where they should go at a time when local government in particular was approving subdivision after subdivision, along with the Department of Planning.

**The Hon. JOHN GRAHAM:** Minister, I just want to understand the answer you are giving me. Are you saying you do not recall any such declaration being made or you do not want to comment about those meetings so you will not answer? Which of those two?

**Mr ANDREW CONSTANCE:** I think it is inappropriate for you to be sitting here quizzing me over meetings involving Jai Rowell and Chris Patterson and people who are advocating to try to stop too much house take in their own backyard.

**The Hon. JOHN GRAHAM:** I do not think it is inappropriate to ask if the Premier made a declaration of a conflict of interest. Her chief of staff answered that question very openly in this room—or I think we might have been in the other room.

**The Hon. SCOTT FARLOW:** The question has already been asked.

**The Hon. JOHN GRAHAM:** You are refusing to answer, though.

**Mr ANDREW CONSTANCE:** I will go back and check my records on this.

**The Hon. JOHN GRAHAM:** Can you take that on notice?

**Mr ANDREW CONSTANCE:** I will not take anything on notice other than to say that is entirely—

**The Hon. JOHN GRAHAM:** You are being very evasive, Minister.

**Mr ANDREW CONSTANCE:** No, I actually have not and I take offence at that.

**The Hon. JOHN GRAHAM:** On this question, you are.

**Mr ANDREW CONSTANCE:** I absolutely take offence at that.

**The Hon. JOHN GRAHAM:** I will ask one other question in relation to this matter. You have been clear that you have not launched an investigation or an inquiry because much of this happened previously.

**Mr ANDREW CONSTANCE:** I was not the Roads Minister at the time either. Goodness gracious.

**The Hon. JOHN GRAHAM:** You were the Roads Minister on Monday when this was on the front page of *The Sydney Morning Herald*. It has been on the front page for a couple of days now, including your department's officials. Since Monday, have you launched any investigation or inquiry into what has happened here and how this developer seems to run?

**Mr ANDREW CONSTANCE:** I answered this earlier.



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**The Hon. JOHN GRAHAM:** Yes, but I want to clarify your answer. Since Monday, while you were in charge, no investigation and no inquiry?

**Mr ANDREW CONSTANCE:** You can wait until the *Hansard* comes out and you can read it because seriously, mate, I have answered your question. I thought I was pretty good about it and now you are trying to go through different versions of your own question. You will get the same answer. When *Hansard* comes out, go back and read what I said.

**The Hon. JOHN GRAHAM:** I just want to give you the chance to clarify that.

**Mr ANDREW CONSTANCE:** I do not need to clarify it because I gave an answer.

**The Hon. DANIEL MOOKHEY:** Minister, when is the *Collaroy* Freshwater-class ferry expected to need its next major service?

**Mr ANDREW CONSTANCE:** I do not know. I will come back to you on that. Just offhand, we run a lot of ferries. One is actually going through a survey at the moment.

**The Hon. DANIEL MOOKHEY:** Which one?

**Mr ANDREW CONSTANCE:** It was on the news last night.

**The Hon. DANIEL MOOKHEY:** How much will it cost to service the *Collaroy* Freshwater-class ferry?

**Mr ANDREW CONSTANCE:** A lot of money. The advice given to me by the department is that you are comparing a \$5 million survey of a vessel that is undertaken every five years with the brand new Emerald-class ferries, which people are flocking to along with the fast ferries from Manly. They are not typically riding the Freshwaters for commuter purposes.

**The Hon. DANIEL MOOKHEY:** Sure.

**Mr ANDREW CONSTANCE:** I made an announcement that I wanted to save two in the interests of tourists. Ultimately your mates at the Maritime Union of Australia [MUA] had a view and no doubt you are here asking their questions for them.

**The Hon. DANIEL MOOKHEY:** Thanks, Minister. What will be the cost per annum to retain the *Collaroy* in service after 2024?

**Mr ANDREW CONSTANCE:** They go through a survey every five years.

**The Hon. DANIEL MOOKHEY:** Sure.

**Mr ANDREW CONSTANCE:** I will give you a bit of advice: You can go down to Garden Island. They are having to scrub the rust off it at the moment.

**The Hon. DANIEL MOOKHEY:** Sure.

**Mr ANDREW CONSTANCE:** The pipe on top of it is spitting out diesel particulates. Zali Steggall and her Greens mates up there in Warringah want to save the vessel and then on the other hand want to turn it off in the interests of climate change. You cannot have it both ways, old mate. It is terrible.

**The Hon. DANIEL MOOKHEY:** But given that is the position of James Griffin, are you suggesting that he is equally falling prey to the same—

**Mr ANDREW CONSTANCE:** No, he is a great guy. I like James and he does an amazing job for the people of Manly. He represented the views of his chamber, his council and his community in relation to the iconic nature of the Freshwater-class ferries. That is why I agreed to save two but I did not agree to save four.

**The Hon. DANIEL MOOKHEY:** Okay.

**Mr ANDREW CONSTANCE:** Can I just ask you the Labor Party's position? I heard Jodi on this issue. She is saying that we should have kept four.

**The Hon. DANIEL MOOKHEY:** Minister, when does the *MV Freshwater* need its next major service and how much will that cost?

**Mr ANDREW CONSTANCE:** Can I make a suggestion? After this inquiry you should stroll across The Domain, go to Lady Macquarie's Chair—it is a lovely viewpoint—and actually have a look at the *Freshwater* at Garden Island.

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**The Hon. DANIEL MOOKHEY:** Minister, unless you are telling me that the costing of the MV *Freshwater's* next major service is at Mrs Macquarie's Chair, I will just ask you here—

**Mr ANDREW CONSTANCE:** It is at Garden Island, because they need a dry dock to do this work and there is no dry dock big enough at Balmain.

**The Hon. DANIEL MOOKHEY:** When does the MV *Freshwater* need its next major service and how much will it cost?

**Mr ANDREW CONSTANCE:** What?

**The Hon. DANIEL MOOKHEY:** To service the MV *Freshwater* at its next major service.

**Mr ANDREW CONSTANCE:** It has got to go through a five-year survey and the cost will probably be around the \$5 million mark. But I will get you the exact number.

**The Hon. DANIEL MOOKHEY:** You have made the point that two will continue in service.

**Mr ANDREW CONSTANCE:** Yes.

**The Hon. DANIEL MOOKHEY:** Can you assure us and the community that is interested in this that both will operate after 2023?

**Mr ANDREW CONSTANCE:** That is what I announced.

**The Hon. JOHN GRAHAM:** Minister, I just want to return to the question about the mobile speed camera fines. You have outlined that those hours will triple later in the year—

**Mr ANDREW CONSTANCE:** They are going to be in a line with other State jurisdictions, other Labor Party State jurisdictions, John.

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

**Mr ANDREW CONSTANCE:** Thank you. You agree? Great. I have got that on the record.

**The Hon. JOHN GRAHAM:** Those figures have yet to kick in. Fines and revenue have jumped nine times in January. Do you agree as we triple the hours, those will then triple. That just makes common sense, does it not?

**Mr ANDREW CONSTANCE:** What I agree is that more people are going to get caught out doing the wrong thing unless they change their behaviours. Speed kills. Every time someone drives to the speed limit, they are, in essence, saving a life. Every time someone speeds, they run a hell of a risk of killing someone. We are not revenue raising, as you are claiming. We are trying to change community behaviour with a penalty enforcement so people stop speeding. I dare say that if a lot of people are being picked up, they might actually stop and reflect about the dangers of speeding and stop doing it. As I said before, I want to work with you in a bipartisan way on this, but you cannot be out there in the paper going, "Look at the terrible fine revenue." People needed to stop speeding. Then they would not have to pay the fine. It is not hard.

**The Hon. JOHN GRAHAM:** But you agree that that number is going to keep going up. That is agreed. You are hoping people will change their behaviour, but there is no way this number is not going to go up in the meantime.

**Mr ANDREW CONSTANCE:** Again, I think the point that I would make—this is why I really wanted you to bring Bernard here—is we absolutely need to do this for the purposes of saving lives, an evidence-based approach. So I would say that the principle to which we work, when the mobile phone detection cameras came in, you wanted to keep the signs. We did not because we wanted the community to think they could get busted anywhere, anytime on a mobile phone. That same principle applies with speed, random breath testing [RBT] and random drug testing [RDT]. It is the same principle. The moment you back your car out, there could be a mobile camera anywhere that will catch you speeding. I want that message to go right across the community, having dealt with some terrible tragedy this year. If you want to go in the papers and carry on about fine revenue, that is going to cut across the message and actually risk lives. We do not want people being annoyed about this. We want people to understand that we raise—

**The Hon. JOHN GRAHAM:** Perhaps if it helps, I am happy to put on the record a view from Mr Veitch and I that we are certainly happy to work on the fund and work on some of these issues with the Government and we would welcome that opportunity to be briefed and to work with you on it.

**The Hon. DANIEL MOOKHEY:** Minister, can you confirm it is going to cost \$10 million every five years to keep the two *Freshwater* class ferries running on weekends and public holidays?

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**Mr ANDREW CONSTANCE:** No, because I said I would get you the exact numbers.

**The Hon. DANIEL MOOKHEY:** Great. Will you have those exact numbers this afternoon? Do you think your officials will be able to have them?

**Mr ANDREW CONSTANCE:** No. We will take it on notice.

**The Hon. DANIEL MOOKHEY:** Thanks, Minister. Minister, last year we established—

**The Hon. SHAYNE MALLARD:** You'll make a media release.

**Mr ANDREW CONSTANCE:** I don't want you tweeting. You're dangerous on Twitter.

**The Hon. DANIEL MOOKHEY:** —that there were process deficiencies that led to the appointment of Mr Brad Burden as an employee of Transport for NSW. I think Mr Staples committed to an investigation, or you did. Has that investigation been completed?

**Mr ANDREW CONSTANCE:** I do not recall that.

**The Hon. DANIEL MOOKHEY:** We went through this—

**Mr ANDREW CONSTANCE:** Hang on. No, no, no. Hang on, old trout. What are you saying? You are saying that I committed to investigate something.

**The Hon. DANIEL MOOKHEY:** Well, to be fair, I said either you or Mr Staples—

**Mr ANDREW CONSTANCE:** No, no. Be fair. This is—

**The Hon. DANIEL MOOKHEY:** I will be fair. Mr Staples did—

**Mr ANDREW CONSTANCE:** You are going to sit here and infer and suggest stuff and—

**The Hon. DANIEL MOOKHEY:** Minister, Mr Staples committed to an investigation into the appointment of Brad Burden—

**Mr ANDREW CONSTANCE:** You said I did about five seconds ago.

**The Hon. DANIEL MOOKHEY:** Has that investigation been completed?

**Mr ANDREW CONSTANCE:** Mate, I don't know.

**The Hon. DANIEL MOOKHEY:** Why don't you know whether that investigation has been completed?

**Mr ANDREW CONSTANCE:** Because it was a matter for Mr Staples.

**The Hon. DANIEL MOOKHEY:** Have you been given the outcome of that investigation and report of any form?

**Mr ANDREW CONSTANCE:** I would have to check with my office. What are you on about? You just said here I conducted an investigation when I hadn't.

**The Hon. DANIEL MOOKHEY:** Minister, has your department conducted an investigation? Or did this not happen, despite being told last year?

**Mr ANDREW CONSTANCE:** I will go and find out. I will take your question on notice.

**The Hon. DANIEL MOOKHEY:** Minister, is Mr Burden still an employee of the department of transport or Transport for NSW?

**Mr ANDREW CONSTANCE:** To the best of my knowledge, no.

**The Hon. DANIEL MOOKHEY:** When did he cease being an employee?

**Mr ANDREW CONSTANCE:** I will take it on notice.

**The Hon. DANIEL MOOKHEY:** Why did he cease being an employee?

**Mr ANDREW CONSTANCE:** I will take it on notice.

**The Hon. DANIEL MOOKHEY:** Were you advised that he had left?

**Mr ANDREW CONSTANCE:** Mate, do you know how many employees there are in Transport? Seriously.

**The Hon. SCOTT FARLOW:** Ask about the train guards.

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**Mr ANDREW CONSTANCE:** There is a bunch of ex-Labor staffers in there too. Come on, mate.

**The Hon. DANIEL MOOKHEY:** Did Mr Burden receive—

**Mr ANDREW CONSTANCE:** Seriously, I don't sit round all day policing and monitoring when people arrive. It is a big workforce.

**The Hon. DANIEL MOOKHEY:** Did Mr Burden receive a severance payment when he left Transport for NSW?

**Mr ANDREW CONSTANCE:** I will take it on notice.

**The Hon. DANIEL MOOKHEY:** Was he dismissed for cause or for no cause?

**Mr ANDREW CONSTANCE:** Hang on. The Acting Secretary has just given me an answer. The answer is "no".

**The Hon. DANIEL MOOKHEY:** "No" to which one there, Minister?

**Mr ANDREW CONSTANCE:** I do not know. Peter, which one? The severance payment.

**The Hon. DANIEL MOOKHEY:** He did not receive a severance payment.

**Mr ANDREW CONSTANCE:** I have been advised that there was no severance payment, just then via a Post-it note.

**The Hon. DANIEL MOOKHEY:** Great. Did he resign? Or was he dismissed?

**Mr ANDREW CONSTANCE:** Mate, I don't know.

**The Hon. DANIEL MOOKHEY:** Does the Acting Secretary know? Can you check? He is right there.

**Mr ANDREW CONSTANCE:** Okay. Can I check with you? And then can I tell the good member that we are going to put this on notice and come back to you.

**Mr REGAN:** Yes, Minister, you can.

**Mr ANDREW CONSTANCE:** Thanks. We will take it on notice.

**The Hon. DANIEL MOOKHEY:** Thanks. Finally, if you are going to be so helpful to take these things on notice, are you able to provide us with all the paperwork relevant to this matter?

**Mr ANDREW CONSTANCE:** Mate, I will tell you one thing, I have a real issue with the way in which you bandy around people's personal employment records. I think there is a point of fairness involved in those individuals. There are so many professional men and women who work in the public sector. They are good people. If you want to get into this degree of minutia around one employee or others, it is a bit rough. It really is. I think the point out of it is I have given an undertaking to come back to you with a whole series of answers to your questions on notice about time frames involving Mr Burden. We will go from there.

**The Hon. DANIEL MOOKHEY:** I appreciate that, Minister. Minister, have you dumped stage two of the Parramatta Light Rail project?

**Mr ANDREW CONSTANCE:** The premise of your question is wrong. Have you seen me make any statement?

**The Hon. DANIEL MOOKHEY:** When is stage two of the Parramatta Light Rail project going to commence?

**Mr ANDREW CONSTANCE:** I will tell you what I'm fed up with. I'm fed up with David Borgia coming and squealing to you guys on behalf of his members, who are getting a brand-new Parramatta light rail. I have also made it clear—

**The Hon. JOHN GRAHAM:** Minister, it is the residents who are complaining to us.

**Mr ANDREW CONSTANCE:** No, hang on.

**The Hon. JOHN GRAHAM:** It is the residents who are putting this view.

**The Hon. DANIEL MOOKHEY:** You have promised it at two elections, Minister.

**Mr ANDREW CONSTANCE:** Are you going to let me answer?

## UNCORRECTED

**The Hon. DANIEL MOOKHEY:** You have promised it at two elections. It is a really straightforward question. Are you going to keep your election commitment?

**The CHAIR:** Order! If you could answer the question, please.

**Mr ANDREW CONSTANCE:** I will make my statements in relation to transport through there when I am ready. One thing I would point out is that that area is getting a brand-new Metro West project and it is also getting the Parramatta Light Rail and it is also getting more buses and all of these great things.

**The Hon. DANIEL MOOKHEY:** In the last three months has your department given you any advice recommending stage two of the Parramatta Light Rail project not proceed?

**Mr ANDREW CONSTANCE:** Mate, it is a matter of public record that a business case has been developed.

**The Hon. DANIEL MOOKHEY:** We have heard in previous estimates from your officials that that business case, the final business case for stage two, was completed at the end of 2018.

**Mr ANDREW CONSTANCE:** So?

**The Hon. DANIEL MOOKHEY:** So, will you release that business case?

**Mr ANDREW CONSTANCE:** No.

**The Hon. DANIEL MOOKHEY:** When do you anticipate making—

**Mr ANDREW CONSTANCE:** I am not in the habit of releasing Cabinet-sensitive material. It is against the law.

**The Hon. DANIEL MOOKHEY:** When do you anticipate making a final investment decision on stage two of the Parramatta Light Rail project?

**Mr ANDREW CONSTANCE:** When the Government is ready to.

**The Hon. DANIEL MOOKHEY:** You said that last year. It has been a year since. Given that it is an election commitment you made two elections in a row, it is not an unreasonable view that the Parramatta community would like to know, and incidentally the city council of Parramatta would like to know, which is when—

**Mr ANDREW CONSTANCE:** I think your Labor contact in David Borgia is probably most interested.

**The Hon. DANIEL MOOKHEY:** Yes, including Mr Borgia would like to know too. So why don't you put him at ease. When do you anticipate making a final investment decision on this?

**Mr ANDREW CONSTANCE:** When I am ready.

**The Hon. DANIEL MOOKHEY:** Why has not your department initiated any of the planning for the Parramatta Light Rail stage two?

**Mr ANDREW CONSTANCE:** Because we have not made an investment decision off the business case.

**The Hon. DANIEL MOOKHEY:** So? In other projects, you have commenced planning processes and engagement with—

**Mr ANDREW CONSTANCE:** Hang on a sec here. What is interesting is you—

**The Hon. DANIEL MOOKHEY:** No, Minister, I am asking a question. Minister, in previous projects—

**Mr ANDREW CONSTANCE:** —earlier asked me a question about the \$25 billion-plus Metro West project through this part of town, mate.

**The CHAIR:** Order!

**Mr ANDREW CONSTANCE:** You are highlighting on one hand we are building public transport and then you are claiming something else.

**The Hon. DANIEL MOOKHEY:** In previous projects, Minister, your department has initiated—

**The CHAIR:** Order!

**Mr ANDREW CONSTANCE:** I can't get an answer in.

UNCORRECTED

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**The CHAIR:** He is trying to get a question in.

**Mr ANDREW CONSTANCE:** It is disturbing.

**The Hon. DANIEL MOOKHEY:** —your department has initiated contact with the department. In fact, in other major infrastructure processes, it is routine for you to go and get the secretary requirements for infrastructure projects prior to making an investment decision. To be fair to you, that is because when you buggered up the CBD light rail you were told this. So why hasn't your department—

**The Hon. SHAYNE MALLARD:** Rubbish.

**The Hon. SCOTT FARLOW:** People are lining up to get on.

**The CHAIR:** Order! Finish the question.

**The Hon. DANIEL MOOKHEY:** —initiated the Secretary's Environmental Assessment Requirements [SEARs] process with the Department of Planning for the Parramatta Light Rail stage two?

**Mr ANDREW CONSTANCE:** Danny, Danny, Danny, seriously mate.

**The Hon. DANIEL MOOKHEY:** Andy, just answer the question.

**Mr ANDREW CONSTANCE:** The point is, taking a lecture from the Labor Party on infrastructure is really quite amusing.

**The Hon. DANIEL MOOKHEY:** Andy, how is your study into trackless tram options going?

**Mr ANDREW CONSTANCE:** Fantastic. Do you want me to update? But the buzzer's gone, so I can't answer you. Do you know the difference between a trackless tram and an articulated bus? Because I can sit here and talk about that.

**The Hon. DANIEL MOOKHEY:** I have got your brief.

**Mr ANDREW CONSTANCE:** They are articulated buses, just to give you the tip.

**The CHAIR:** Order! Did the Government members wish to ask any questions?

**Mr ANDREW CONSTANCE:** No. Has Mark got any more questions?

**The CHAIR:** No, Mark is not allowed to ask any more questions. Okay, in that case, this concludes our morning session. Thank you, Minister Constance, for attending this hearing.

**Mr ANDREW CONSTANCE:** I'll see you next year.

**The CHAIR:** It has been a pleasure, as always. We are finished with your questioning. The Committee will now break for lunch and return at 2.00 p.m. for further questions.

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

**(Luncheon adjournment)**

## UNCORRECTED

**TIM RAIMOND**, Chief Transport Planner, Transport for NSW, affirmed and examined

**MARK HUTCHINGS**, Acting Chief Operations Officer, Transport for NSW, sworn and examined

**STEVEN ISSA**, Acting Executive Director Services, Transport for NSW, sworn and examined

**CAMILLA DROVER**, Acting Deputy Secretary, Infrastructure and Place, Transport for NSW, affirmed and examined

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

**DANIELA FONTANA**, Acting Chief Executive, State Transit Authority, sworn and examined

**PHILIP HOLLIDAY**, Chief Executive Officer, Port Authority of NSW, sworn and examined

**ANAND THOMAS**, Acting Executive Director, Central and Southern Sydney Program Office, Transport for NSW, sworn and examined

**SUZANNE HOLDEN**, Acting Chief Executive, Sydney Trains, sworn and examined

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

**The CHAIR:** Thank you very much for attending this afternoon. Thank you for your patience as we work with the new COVID restrictions. That has been very helpful. There is no provision for any witness to make an opening statement before we commence our questioning. We will begin with questions from the Opposition.

**The Hon. DANIEL MOOKHEY:** Firstly, Mr Regan, I congratulate you on being appointed as the Acting Secretary of Transport for NSW. I also congratulate the new officials who are here today and I greet those officials who have returned. It is nice to see that everybody is safe. Secretary, can you confirm whether all of the officials witnessed this morning's proceedings?

**Mr REGAN:** I believe they did, yes.

**The Hon. DANIEL MOOKHEY:** So we can assume as a baseline that they saw this morning's proceedings?

**Mr REGAN:** I think you can assume that everyone has seen the majority of it.

**The Hon. DANIEL MOOKHEY:** Mr Secretary, how many written ministerial directions has the department received from all of your cluster Ministers in the last year?

**Mr REGAN:** I will have to take that on notice and come back to you with that number.

**The Hon. DANIEL MOOKHEY:** Was it more than one?

**Mr REGAN:** I am aware of one. Obviously that was discussed this morning. I am not aware of any others but I will take it on notice and come back to you on that.

**The Hon. DANIEL MOOKHEY:** The legal authority of a written ministerial direction is that your department must comply. Is that correct?

**Mr REGAN:** It is my understanding that the Minister has the capacity as the Minister to direct the department. I am not a constitutional expert so I will not give you the precise answer. I think we could probably include our understanding of it in our response on notice but we certainly act on the basis that, where we are directed or if we are directed on a ministerial basis, that is something that we implement.

**The Hon. DANIEL MOOKHEY:** The Minister said that I should direct my questions to you this afternoon about the specifics of that particular ministerial direction. I want to take him up on his invitation and ask you about it. Firstly, when did Minister Constance issue you with that written ministerial direction?

**Mr REGAN:** Just to be clear, he did not issue me specifically with the direction as I was not acting as the secretary at the time. I am happy to try and answer the question as well as I can in that regard. I personally have not seen the direction but we will provide it to you and I will certainly make sure that happens.

**The Hon. DANIEL MOOKHEY:** Is there a chance that we can get it this afternoon or are we pushing our luck?

**Mr REGAN:** I do not know. We will see what we can do.

**The Hon. SCOTT FARLOW:** You always like to push.

UNCORRECTED

**The Hon. DANIEL MOOKHEY:** Thank you. I appreciate that.

**Mr REGAN:** But I can talk to you. I have obviously been making inquiries since this morning's discussion. I can talk to you about the issue.

**The Hon. DANIEL MOOKHEY:** My question is: When was the written direction issued?

**Mr REGAN:** As I have just said, I do not have the exact date as to when it was issued. We will provide that on notice.

**The Hon. DANIEL MOOKHEY:** Do you have an estimate? Can you give us a month or a period of time last year when that was issued?

**Mr REGAN:** I believe it was issued in the first quarter of last year, but if I may I will come back to you with the actual details of that.

**The Hon. DANIEL MOOKHEY:** That was a written direction to your predecessor, Mr Staples. Is that correct?

**Mr REGAN:** That is my understanding.

**The Hon. DANIEL MOOKHEY:** What did the written direction instruct the department to do?

**Mr REGAN:** As I have said, I have not seen the direction. I understand the direction was in relation to the clearing of trees along major State corridors.

**The Hon. DANIEL MOOKHEY:** What the Minister told us this morning was that it was a direction to clear every tree within 40 metres of the Princes Highway between a point and Victoria. Does that accord with what you have found out since this morning?

**Mr REGAN:** No. I am certainly not in any way trying to evade your question. As I have said, we will come back to you. I have taken that on notice. We will come back to you with the direction and the actual details.

**The Hon. DANIEL MOOKHEY:** I am still going to ask you questions about that.

**Mr REGAN:** That is fine.

**The Hon. DANIEL MOOKHEY:** Perhaps I might give you an invitation to disclose with us the information about that direction that you have learned since this morning.

**Mr REGAN:** Yes, I am happy to do that. Thank you very much for that. In response to the direction and during the subsequent time, we have been working to improve the resilience and the accessibility of the major corridors. Essentially that is driven around improving the resilience of those major highway corridors, particularly in the circumstances where there has been bushfire or where there is approaching bushfire. In doing that we are looking at improving the ability for the roads to remain open, to be reopened or to be used for significant transport of equipment or the evacuation or the movement of people or goods as required in that circumstance. In doing that we have been working through in some cases the quite challenging circumstances of how to do that, particularly where you have difficult topography and complex land ownership arrangements.

Of course, in doing so, we need to take into account the powers that we have as Transport and the powers of other agencies, particularly where we are undertaking work alongside Resilience NSW or with the Department of Planning, Industry and Environment, and with local councils and local bodies that can assist us in that space—be it local fire brigades or other bodies, like the SES. During that time we have continued to work through each of those corridors and taken an approach which I guess you could describe as a corridor-based approach and a risk-based approach as to how we can improve the resilience of those corridors.

**The Hon. DANIEL MOOKHEY:** Can I just pause you there. When you are saying "corridors", how many corridors are you referring to and what are they? What are the corridors you are referring to?

**Mr REGAN:** Yes. We have been looking, as mentioned this morning, around the Pacific Highway corridor—sorry, the Princes Highway corridor. We have also looked on each of the major State highway corridors as to the level of improvement that can be provided.

**The Hon. DANIEL MOOKHEY:** Is that because the ministerial direction required you to examine all of those corridors?

**Mr REGAN:** I am not aware of the specifics, as I said, of the detailed wording in the direction but I am happy to come back on that. What we have done is initiated this year a \$10 million bushfire corridor resilience program. This is consistent with the broader approach that Resilience NSW has been implementing.



UNCORRECTED

**The Hon. DANIEL MOOKHEY:** Sorry, I am just going to pause you there. You say that you have initiated a \$10 million bushfire resilience program. Is that as a result of the written direction that was issued to the department?

**Mr REGAN:** Yes.

**The Hon. DANIEL MOOKHEY:** And so, is it right to infer that the cost so far incurred by Transport for NSW to comply with the Minister's direction is at least \$10 million?

**Mr REGAN:** Certainly the program that we have instituted is at least that, yes.

**The Hon. DANIEL MOOKHEY:** What could be the highest cost?

**Mr REGAN:** I do not know. I am happy to come back to you on that.

**The Hon. DANIEL MOOKHEY:** Can you come back to me on that this afternoon, please, if possible?

**Mr REGAN:** I will see what I can do.

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

**Mr REGAN:** If you are asking for the highest cost of the program, I think we would have to look more extensively.

**The Hon. DANIEL MOOKHEY:** Isn't your finance official here? Your chief financial officer or deputy secretary of finance—are they in a position to give us any assistance?

**Mr REGAN:** No, they are not here.

**The Hon. DANIEL MOOKHEY:** Okay. Thank you. I appreciate whatever information you can get.

**Mr REGAN:** No, I will. I think it is important to note that, in addition to implementing that scheme, we have implemented across over 127 kilometres of the Gwydir Highway and 223 kilometres of the Princes Highway. We have also been undertaking since November further work to reduce risk along the Princes Highway. That work has been initiated and will be completed by the end of March this year. We have taken a risk assessment across other key State road corridors and are working to identify the order of priority. I think it is also worth adding that in some cases where we have not been able to achieve a greater risk reduction on the actual highway corridor, we have also been looking at alternative routes. The objective here is to be able to, as I said earlier, achieve that movement of goods and people in a safe way, and greater clearance and resilience of the roads.

**The Hon. DANIEL MOOKHEY:** Yes, I appreciate the objectives of the direction. The Minister, to be fair to him, set out what he felt the objectives of the directions were. I do appreciate that information, but I would like to just drill down on some of the specifics here. You say that it is in multiple corridors. I think you mentioned the Princes Highway. You have mentioned the Pacific. Did I hear you right?

**Mr REGAN:** No, I misspoke. I said the Pacific; I corrected that to the Princes. The Gwydir Highway—we have been doing work. We are looking at each of the major State corridors. As you would appreciate, that is a fairly significant task and we are continuing to work that through.

**The Hon. DANIEL MOOKHEY:** You have shown good prescience here, Mr Secretary, because my next question was: Insofar as the radius, how many kilometres or hectares of land is subject of the Minister's order?

**Mr REGAN:** I revert to my previous answer. I will be providing the details of what is in the order on notice, so I cannot answer that.

**The Hon. DANIEL MOOKHEY:** Okay. And the order was to remove the trees?

**Mr REGAN:** I refer to my previous answer.

**The Hon. DANIEL MOOKHEY:** But the Minister said it was to remove the trees. Do you agree that that was the purpose of the direction?

**Mr REGAN:** I have agreed that I will provide, as the Minister also agreed this morning, that the notice of direction itself we provided—I do not want to speculate. As I said to you, I have not personally seen it.

**The Hon. DANIEL MOOKHEY:** How many trees so far have been removed as a result of the Minister's order?

**Mr REGAN:** I do not have that information. I am happy to revert on that, as part of that broader update.

## UNCORRECTED

**The Hon. DANIEL MOOKHEY:** Well, who in your organisational structure is responsible for complying with the Minister's order?

**Mr REGAN:** Ultimately, the issue of the direction is to the secretary. The organisation, headed by the secretary, will be implementing that. One of the challenges, I am sure you will appreciate—

**The Hon. DANIEL MOOKHEY:** Just before—

**Mr REGAN:** I will just finish. We have here today the representatives effectively who cover the Greater Sydney area that the Minister is responsible for. We have a division—Regional and Outer Metropolitan—that also is responsible for our regional roads and they are implementing the direction.

**The Hon. DANIEL MOOKHEY:** I appreciate that; it is helpful. We might return when they are here next week to ask them some questions, too. You described what has been achieved so far. I think you just did that. You described what you intend to achieve by March. Are you intending to have fully complied with the Minister's instructions by March?

**Mr REGAN:** We are intending to continue to reduce risk around the road corridors as quickly and as reasonably as we can. We are attempting to comply with the direction of the Minister and are also working alongside the broader objectives of the other agencies, including Resilience NSW, to improve the accessibility of those roads.

**The Hon. DANIEL MOOKHEY:** I appreciate that but that was not my question. My question is: Given that you are the secretary now and you are now responsible for meeting the ministerial direction, as secretary when are you intending to have completed your instruction issued to you by your Minister?

**Mr REGAN:** I do not have a date at this point. But we are certainly working as fast as we can, in close conjunction with the other agencies I mentioned—and, of course, with our two Ministers' offices.

**The Hon. DANIEL MOOKHEY:** So, your Minister expressed dissatisfaction this morning with your department. Why is your Minister dissatisfied with the timetable you have outlined to us today?

**Mr REGAN:** I am not going to put words in the Minister's mouth. He gave his evidence this morning in response to your questions. I, of course, will be working to do everything I can to ensure that we continue to improve the safety and resilience of the major highway corridors.

**The Hon. DANIEL MOOKHEY:** You have been acting secretary for four days, correct?

**Mr REGAN:** Six, actually.

**The Hon. DANIEL MOOKHEY:** Six? Congratulations. I am glad to get you spend your first week with us. Have you met with the Minister in that time?

**Mr REGAN:** Yes, I have.

**The Hon. DANIEL MOOKHEY:** When did you first become aware that you are subject to this direction?

**Mr REGAN:** I was aware that a direction was issued last year.

**The Hon. DANIEL MOOKHEY:** But you had not seen it?

**Mr REGAN:** No, I have not seen it. It was not issued to me.

**The Hon. DANIEL MOOKHEY:** So, when you took the job six days ago, were you aware that you have to complete this?

**Mr REGAN:** I can tell you that when I commenced as the acting secretary—I am aware of a vast number of responsibilities that I have for the department and to take forward.

**The Hon. DANIEL MOOKHEY:** Mr Regan, I am asking you specifically about this one, and my time is limited. When you got the job six days ago, given that this is so far the only ministerial direction you can recall, were you aware that you had to comply with it?

**Mr REGAN:** I was not given a particular list of directions on taking on the job. But clearly if it is a direction to the secretary and to the department, it is to the position, not to an individual. So, it clearly becomes part of the obligations that I have, if a direction has been received by the department, to ensure it is carried out.

**The Hon. DANIEL MOOKHEY:** Were you aware that your Minister was disappointed with the way in which your predecessor had been implementing his direction?

## UNCORRECTED

**Mr REGAN:** I cannot comment on that.

**The Hon. DANIEL MOOKHEY:** Why not?

**Mr REGAN:** The Minister gave his views this morning. I am not going to put words in his mouth.

**The Hon. DANIEL MOOKHEY:** I am not asking you to. I am asking you to tell me whether or not you were aware that this had caused some dissatisfaction between the Minister and your predecessor. Were you aware of that?

**Mr REGAN:** No, I was not.

**The Hon. DANIEL MOOKHEY:** Fair enough. Thank you. Can I just ask: Did Transport for NSW ever commission any legal advice as to whether the Minister's direction was legal?

**Mr REGAN:** I am not aware. I am happy to look at that.

**The Hon. DANIEL MOOKHEY:** Is it the case that your predecessor refused to implement the instruction because advice was given that to implement the Minister's order would cause the department to commit illegality?

**Mr REGAN:** No, I am not aware of that.

**The Hon. DANIEL MOOKHEY:** Can I ask, in respect, who would provide you that legal advice? Would you provide it in-house or would you seek the Crown Solicitor's opinion?

**Mr REGAN:** I am not able to speculate.

**The Hon. DANIEL MOOKHEY:** Why not? He is a lawyer. You are the secretary. How would you go about getting legal advice about whether the Minister's direction is legal?

**Mr REGAN:** We have a general counsel internally, who we can seek advice from. The general counsel would determine whether or not that advice would be given—or sought external advice, including from the Crown Solicitor. I am not going to speculate—as I said, I was not involved in that process at the time—but I am happy to look into it.

**The Hon. DANIEL MOOKHEY:** But you have continuing responsibility and you are now subject to the same order. I only imagine that you would want to make sure that you are not committing any illegality here. So, have you ascertained whether or not the Minister's order was legal?

**Mr REGAN:** I personally have not.

**The Hon. SCOTT FARLOW:** Six days into the job.

**The Hon. DANIEL MOOKHEY:** Has anyone in here—anyone on this panel—bothered to figure out whether or not the Minister's instruction to your department was legal?

**Mr REGAN:** As I just explained, this happened last year. I was not in the role. I am sure the secretary at the time would have taken the appropriate advice and I am happy to look at what was done in that regard.

**The Hon. DANIEL MOOKHEY:** Did your department notify any other department about this direction?

**Mr REGAN:** I am aware, as I have mentioned, that we have been working very closely with a number of other departments. The extent to which they discussed the term of the direction, I am unaware.

**The Hon. DANIEL MOOKHEY:** It is just that—

**The Hon. SCOTT FARLOW:** Let the witness finish.

**Mr REGAN:** We have been working with the Department of Planning, Industry and Environment. We have been working with Resilience NSW. Of course, we work closely across government.

**The Hon. DANIEL MOOKHEY:** Did you ever seek the advice of the department of—what is it called—Jim Betts' department?

**Mr REGAN:** The Department of Planning, Industry and Environment.

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

**Mr REGAN:** We have been working very closely with the Department of Planning, Industry and Environment.

## UNCORRECTED

**The Hon. DANIEL MOOKHEY:** Did you ever seek its advice as to whether this was legal?

**Mr REGAN:** I did not, no.

**The Hon. DANIEL MOOKHEY:** Did your department ever ascertain—

**Mr REGAN:** But to be clear—

**The Hon. SCOTT FARLOW:** Point of order: The witness should be allowed to finish.

**Mr REGAN:** I did not seek advice because I was not responsible for the issue at the time.

**The Hon. DANIEL MOOKHEY:** Sure.

**Mr REGAN:** If your question is whether the department did, I am happy to look at that.

**The Hon. DANIEL MOOKHEY:** Okay, could you please look at that?

**Mr REGAN:** I can.

**The Hon. DANIEL MOOKHEY:** Thank you very much. Did your department ever find out whether or not in order to comply with the Minister's direction you would have to go through any form of environmental impact statement?

**Mr REGAN:** I am going to take that question on notice as well. As I said, we did go through and work extensively to see, on a risk-based approach, which works could be done immediately. In some cases there are complexities around land, around topography, around other constraints, and that is what is being worked through. So I am quite happy, as I have said, to come back with further detail. I apologise I am not able to give you all the answers to those questions right now because I do not have them.

**The Hon. DANIEL MOOKHEY:** I appreciate that, Mr Regan. Did you ever ascertain whether any private landholder would be impacted by the Minister's direction?

**Mr REGAN:** Absolutely. There are private landholders who hold land next to the road corridors in question in some cases, so that would be part of the challenge that we would be working through as to whether or not we were able to undertake that or whether we would need to negotiate with those landowners.

**The Hon. DANIEL MOOKHEY:** So have you initiated any negotiations with any landholder that is not the Crown in order to—

**Mr REGAN:** I will have to look into that.

**The Hon. DANIEL MOOKHEY:** Sorry, I will just finish. In order to—

**Mr REGAN:** I will look into that. As I said, in some cases where there were difficulties we have found alternative routes that we have been able to use. In other cases there are opportunities that are prevented to us because what we are talking about here is retrofitting into existing roads. Where we are building new roads and new corridors, we have wider corridors to start with and we can achieve different outcomes.

**The Hon. DANIEL MOOKHEY:** Have you had to compensate any landowner in order to comply with the Minister's order?

**Mr REGAN:** I am not aware. I will look into that for you as well.

**The Hon. DANIEL MOOKHEY:** Thank you. In effect, given that there are a lot of requirements on private landowners before they can remove a tree, what assistance has Transport for NSW provided any private landowner who has had trees removed?

**Mr REGAN:** I did not say that they have.

**The Hon. DANIEL MOOKHEY:** Have they?

**Mr REGAN:** To repeat my previous answer, I will take on notice the extent to which we have engaged with or discussed with private landowners, but I cannot comment hypothetically. So I will take that question on notice.

**The Hon. DANIEL MOOKHEY:** It is not a hypothetical question, but I appreciate—

**The Hon. SCOTT FARLOW:** It is for this witness.

**Mr REGAN:** I am sorry, it is hypothetical in nature in that I have said I am not aware whether we did, so I cannot comment therefore.

## UNCORRECTED

**The Hon. DANIEL MOOKHEY:** Effectively, if the Minister had ordered you to engage in a form of broad-based land clearing—did the origins of this policy arise from the department?

**Mr REGAN:** I am not aware of the origins. The Minister gave a direction to the department.

**The Hon. DANIEL MOOKHEY:** Did the policy development process originate in the department or the Minister's office?

**Mr REGAN:** I cannot comment on that.

**The Hon. DANIEL MOOKHEY:** Did any officer ever provide any direct advice to the Minister recommending this as a policy prior to the Minister issuing the direction?

**Mr REGAN:** I am sorry, I was not in the chair at the time. I am unable to answer that question. I am happy to come back with as much information as I can and, as you noted before, when we have the regional estimates hearing there may be an opportunity to ask more people there who have been more directly involved, but I cannot speculate on something that I was not involved in.

**The Hon. SCOTT FARLOW:** Point of order: As a broad reflection, the witness has said on several occasions that he was not in the chair at this time. He has offered to take the substance of the Hon. Daniel Mookhey's questions on notice. Mr Mookhey is constantly going back to the witness on exactly the same things.

**The Hon. DANIEL MOOKHEY:** To the point of order: In order for the witness to take the questions on notice, I have to ask them.

**The CHAIR:** Yes. I would advise against any repetition, but to the extent that there is not repetition and you were just asking for subsequent questions to be taken on notice, then please go ahead. You have one minute.

**The Hon. DANIEL MOOKHEY:** You were a deputy secretary at the time, were you not?

**Mr REGAN:** That is correct.

**The Hon. DANIEL MOOKHEY:** As a result of that, you sat on the secretary's leadership management team. Is that correct?

**Mr REGAN:** Yes, that is correct.

**The Hon. DANIEL MOOKHEY:** And you met with that management team—what, convened every week?

**Mr REGAN:** In some cases every day.

**The Hon. DANIEL MOOKHEY:** Indeed. Was it ever raised in that forum?

**Mr REGAN:** As I said earlier, I was aware of the direction, but not the specific details. I have never seen it.

**The Hon. DANIEL MOOKHEY:** That was not my question though, Mr Regan. My question was: Was this direction raised in any leadership team meeting that Mr Staples convened for which you were present?

**Mr REGAN:** I do not remember the specifics, but I am aware of it so I believe it probably was discussed.

**The Hon. DANIEL MOOKHEY:** Do you recall when thereabouts it would have been discussed? Presumably it was after the direction was issued.

**Mr REGAN:** I certainly cannot recall it being discussed before it was issued.

**The Hon. DANIEL MOOKHEY:** Regular updates were provided to that meeting on a whole variety of matters. Is that correct?

**Mr REGAN:** There are regular updates provided, as in any organisation at a senior leadership meeting, across our business.

**The Hon. DANIEL MOOKHEY:** Okay, we might pick this up later. [*Time expired.*]

**The CHAIR:** Thank you. Mr Banasiak?

**The Hon. MARK BANASIAK:** I will direct my questions where I left off regarding the NSW Boating Now Program. The Boating Now guidelines state that at least a 25 per cent contribution from council is required. However, lower "will be considered if the project scores highly on the assessment criteria". Then it outlines the assessment criteria as:

- Direct benefits to current and potential waterway users

## UNCORRECTED

- How the proposal supports the strategic outcomes of the Maritime Infrastructure Plan
- Delivery confidence
- Cost and affordability

I am wondering whether someone can elaborate on how these projects are scored against that criteria. Is there a physical score awarded to each of those criteria? Perhaps on notice you can provide a scoring guide for the Committee so we can understand exactly how they were scored against that criteria.

**Mr REGAN:** Perhaps in the first instance I could ask Mr Hutchings to respond.

**Mr HUTCHINGS:** Yes, thank you for your question. The Boating Now Program is run quite successfully through the Maritime Infrastructure Development Office. That office is attached to NSW Maritime, and it has a group of maritime experts who work with boating safety officers up and down the coast and also local councils. We are about to, in a couple of weeks, go to the councils with an offer to be able to submit applications for grants, and those grants are then assessed by the Maritime Infrastructure Delivery Office in accordance with the criteria that you went through before.

**The Hon. MARK BANASIAK:** Sorry, these are the round four grants?

**Mr HUTCHINGS:** That is correct. We have quite successfully done close to 200 projects under that way, and sometimes in the past we have had difficulty getting councils to put the grants in, so we have actually had to be quite proactive. It has not been the case where many councils have actually missed out through that process. As we are marketing what we are doing and as we are getting more and more boat ramps across the State up and running, we are marketing that and our approach from the councils to us is being increased over the last, and we are hoping that in this round we are going to get more grants from local councils. We can supply the assessment criteria but, as I said, we have not knocked many back because we have been quite proactive trying to get the councils to put the grants actually in.

**The Hon. MARK BANASIAK:** Okay, I will go through some of these specific grants and invite some comments from you, knowing that some of the boating associations and fishing associations have approached these councils that were successful and asked them questions, and have provided that feedback to me. The City of Canada Bay council was awarded \$600,000 towards passive boating facilities. Looking at the description of their project, it is for boats that are largely under the registrable size, so therefore do not attract a registration fee and therefore do not contribute to the waterways fund or the Boating Now fund.

**Mr HUTCHINGS:** Yes.

**The Hon. MARK BANASIAK:** So is it the case that we are that desperate to award projects to councils that, essentially, we are going outside the original intent of the Boating Now Program and giving it to projects that (a) do not positively contribute to recreational boating; and (b) benefit those who are actually stumping up the cash for this through registration fees?

**Mr HUTCHINGS:** I think it really comes under the auspices of making waterways accessible and safe, so we do not discriminate against the accessibility to these waterways by virtue of the fact that people are only paying a registration fee or a boating fee. In fact, only 35 per cent of the Waterways Fund is actually part-funded by registration. The rest is done through different ways—through commercial enterprises, through leasing of properties on the waterfront. So we have a vision to be able to give access to everyone and make sure that when people are getting on to the water, which is what we want, that they are doing it safely. So that one in particular would be an example of where we are giving access to people who do not have a registered vessel but, as you know, if you go out and have a look at Sydney Harbour on any given Saturday, most of the craft out there, or a large percentage, are not registered. We use that money to make sure that we can market it and help the economy, make places better places to live and give safe access to the waterways.

**The Hon. MARK BANASIAK:** Moving to the Eurobodalla Shire Council, they received over \$1.1 million and they had to contribute zero. Can you tell me how they scored so highly that they are totally exempt from contribution?

**Mr HUTCHINGS:** I would have to get advice on it. If I could take that on notice, we can get that information to you about why that was rated that way.

**The Hon. MARK BANASIAK:** Perhaps special points for the local member? Turning to Sutherland Shire Council, there are some discrepancies there. They were given \$200,000 for a Cronulla boat ramp dredging; however, there was an article in the *St George & Sutherland Shire Leader* that stated that the boat ramp is to be replaced at a cost of \$1.57 million. I am just wondering, why were they successful in getting a grant only to attract a significant amount of funds to replace the whole boat ramp?

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**Mr HUTCHINGS:** The details of that would be in the application so, again, I cannot give you the specifics of that here today. I would be happy to take that on notice and get them to you.

**The Hon. MARK BANASIAK:** Excellent. When we spoke to these councils about their application process, many of them actually said that they did not hold any statistical data as to vessel usage at the present sites or locations. So it is a concern that they would have applied for these funds, presented very minimal data to support it, and they got the go-ahead on these projects that may or may not actually achieve any measurable benefit to these communities and may not be what the community needs in terms of boating infrastructure. Did all these applications come with data to back up their decision?

**Mr HUTCHINGS:** I have not read all the applications, but I certainly can get that information to you. So I will take that on notice. I can say that the delivery of the Boating Now Program across the State is part of Maritime's infrastructure delivery plan, so there is work that sits behind that, in conjunction with the Centre for Maritime Safety. So it is not totally an anecdotal dispersal of those funds. There is a plan that sits behind that, and we do prioritise where that goes. We are working towards, with the Centre for Maritime Safety, much more robust data and analytics when it comes to be able to prioritise our resources, our money and our staff around the State, and we are doing that. So, again, the detail of what you are talking about I would certainly have to take on notice, but that is generally the way in which we go about our business.

**The Hon. MARK BANASIAK:** Was there any priority given to projects from councils that had a proven ability to actually maintain these facilities? The feedback we received from many of these councils was that they did not actually have any scheduled maintenance, whether preventative or otherwise. We could be churning out this money for these projects and councils are not looking after them and essentially reducing the lifespan of these projects. Was there any actual weighting given on these projects to councils that could actually maintain them?

**Mr HUTCHINGS:** I do not believe so. There are 700 boat ramps around the State. We supply funds to the councils upon a grant process, and the deal is that they maintain them.

**The Hon. MARK BANASIAK:** But you do not check whether they do.

**Mr HUTCHINGS:** We have staff right across the State, and our boating safety officers and boating education officers are using those boat ramps almost on a daily basis. We do get information around the condition of those, but primarily, as you can imagine, with that amount of assets around the State, that would be a negative use of the Waterways Fund. The deal is that if councils get the grant, then they have to maintain the boat ramps.

**The Hon. MARK BANASIAK:** How many boating safety officers do you have?

**Mr HUTCHINGS:** Ninety.

**The Hon. MARK BANASIAK:** Ninety. To check how many boat ramps?

**Mr HUTCHINGS:** Seven hundred. It is part of the process but primarily the responsibility for the maintenance of those boat ramps are the local councils.

**The Hon. MARK BANASIAK:** How often have you received reports from your boating safety officers that councils are not adhering to their requirements to maintain these boat ramps, let us say in the last three years? I know you would probably have to take that on notice.

**Mr HUTCHINGS:** I definitely have to take that on notice.

**The Hon. MARK BANASIAK:** Thank you.

**The CHAIR:** Mr Regan, can we go back to the issue of conservation offsets? Have you had a chance to look into the issue we were talking about earlier?

**Mr REGAN:** I have. So this is in regard to the M7?

**The CHAIR:** Yes, that is right.

**Mr REGAN:** Yes, if I could ask my colleague, Ms Drover, to assist me with this. She has the details for you.

**Ms DROVER:** We have been advised that the M7 biodiversity offset package was negotiated post the project approvals for the M7, and that was negotiated between the then RTA and National Parks and Wildlife in 2003. It should be noted that since 2016 the framework under which biodiversity offsets are delivered has changed and there is a new regulatory framework in place. In regards to the M7, we have been negotiating regularly with National Parks and Wildlife about the offset program. Fifty-eight per cent of the requirement for the M7 has already been handed over to National Parks and Wildlife, and the total requirement is 124.24 hectares of compensatory habitat, and that was twice the endangered habitat area.

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There is one site that is still to be handed over, and that is the Colebee site, which is 52 hectares. There have been ongoing negotiations with National Parks about that. It was almost ready for handover, but we are now required to do some further remediation and re-fencing of the site. We have prepared a development application for that, and that has been submitted to Blacktown Council. National Parks, as the long-term owner of the land, has been reviewing that DA, so they are part of that process. In fact, the last engagement with National Parks and Wildlife was in December 2020. So that DA is submitted and we will get approval for that. It does necessitate an Aboriginal heritage assessment and also a tree audit, but once the DA is approved we will do the fencing, and that land will be handed over to National Parks and Wildlife, which will complete our obligations for the M7.

**The CHAIR:** Thank you. Would you say it was normal for something to take 15 years?

**Ms DROVER:** As I mentioned, since 2016 the regulatory, or the legislation, requirements have changed. Transport's process now is that we try and get the offsets as soon as possible, and in fact we support any offset requirements being included in conditions of approval, and that ensures we can better monitor compliance with offsetting requirements. I am aware that there are no outstanding biodiversity offsets at the moment.

**The CHAIR:** Other than that one?

**Ms DROVER:** Other than that one.

**The CHAIR:** Just so I can get it clear, 15 years ago there was an obligation or a promise to set aside, or eventually acquire, certain land as an offset. That was not done for whatever reason. Some of that was done, the rest is in negotiations.

**Ms DROVER:** No, 58 per cent has been done and handed over to National Parks, so it is just the one remaining site that has to be handed over. But we have been working with National Parks and Wildlife to complete that last parcel of land to be handed over.

**The CHAIR:** Understood. Is your evidence that, because of what occurred in 2016 and because of the change in legislation then, this cannot now happen again. We will not see another project that has a 15-year delay?

**Ms DROVER:** Exactly. So, as I said, we try to include any offset requirements within the conditions of approval. Obviously we have to report against those on very regular frequencies but, over and above that, we try to actually get our offsets before the impact of the project comes into play.

**The CHAIR:** What is the average time that it would take for those offsets to be secured normally after a project has been approved?

**Ms DROVER:** Generally, before the impact of the project has occurred. That is the advice I have been given.

**The CHAIR:** Thank you, that is very helpful. I am just going to ask a couple of quick questions about specific projects and if you need to take them on notice, Mr Regan, please do. In relation to Windsor Bridge, what are the costs to date of demolishing that heritage-listed bridge?

**Mr REGAN:** I do not have that with me right now but I will take that on notice.

**The CHAIR:** Thank you. And also what is the anticipated total cost of the demolition and disposal—so where we are at now and what is anticipated?

**Mr REGAN:** If I can get that information this afternoon, I will try to give that to you.

**The CHAIR:** Thank you. In relation to the Bells Line of Road corridor and the upgrade, what information has been given to councils so far to assist their planning in relation to that upgrade?

**Mr REGAN:** Unless Mr Collins has that one?

**Mr COLLINS:** We will take that on notice.

**Mr REGAN:** We will take that on notice and come back to you on that as well.

**The CHAIR:** Thank you. Is there a proposed route from Richmond Road to the Central Coast?

**Mr REGAN:** My understanding is that there is—I would not say a proposed route. There was historically some very long run corridor identification work done some time ago, but I have not seen anything of late. Again, it would probably be best to take that on notice and I will let you know the status of that. Certainly it is not actively something that we have been looking at, but I know that a long time ago there was some investigation work done.

**The CHAIR:** Thank you. I might hand over to the Opposition for now. Mr Graham?



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**The Hon. JOHN GRAHAM:** Thank you, Chair. I might turn first to where we were with the Minister on some of those tolling questions. I might turn to the M5 East and M8 toll review that he talked about, reviewing the traffic numbers, as I understood it, when he raised it this morning or when it has been referred to publicly. Could you give us some background on that review?

**Mr REGAN:** Sure. I will give you a little bit of an introduction and Mr Collins will be able to give you more detail on the situation on the ground. The M5 East, as was discussed this morning, effectively was duplicated by what was originally referred to as the new M5—now that it has opened, the M8. Those two roads together effectively are the relevant corridor. There was discussion this morning around the level of traffic. We measure the traffic across the full corridor, including both the motorways. The M8 opened to traffic in the middle of last year, in July 2020.

**The Hon. JOHN GRAHAM:** In fact, Mr Collins opened it. Congratulations.

**Mr COLLINS:** I think I was there.

**The Hon. JOHN GRAHAM:** You performed the honours.

**Mr REGAN:** There we go. He will be able to recount more vividly than I. It was, of course, a bit of a challenging time around traffic volumes because we had had significant disruption through COVID and in fact a very significant drop in traffic across the network, particularly on the motorways, and then that was climbing through last year. So some of the challenges that we have encountered in looking at that corridor are somewhat impacted by the non-standard environment that we were operating in, in terms of traffic volumes, so as part of that process we have been doing those counts and looking to do a review. I might ask Mr Collins to give you a bit more detail on where we are up to on that, noting that we are not yet through the first 12 months, but we do have some information.

**Mr COLLINS:** Thanks very much. Since the motorways opened, on a daily basis we monitor the surrounding roads in that area, particularly, as you know, Mr Graham, the Stoney Creek Road and other side roads. It is fair to say that we did anticipate that road levels in those areas would increase by around about 25 to 30 per cent. What we have done wherever possible is to install clearways. You may already know that. We have done some changes to motorway junctions and phasing of traffic lights, but part of the obligation of opening the M8 is to carry out a full survey. We have been using various methods and people to do that. In the next few weeks, I think—certainly within 12 months of the motorway opening—we will provide information regarding the impact that those two motorways have had in the surrounding corridors. We are very keen to ensure that wherever possible we can minimise that impact.

We know people have a choice of travelling, but the comment I would make is that people used to say that the M5 East was the most congested and slowest motorway in Australia. Even when it was opened, it was pretty busy. The M8 corridor as part of a whole grid of motorways now being constructed certainly has provided that relief. In fact, only the other day, when we had some flooding in the motorway network, the M8 was a very useful bolthole for people to get through to keep their delays to a minimum. But we are interested to understand the impacts. It is, as Mr Regan said, an unusual time at the moment because motorway traffic, general travel, people going to and from work—it is not perhaps the normal expectation compared with this time last year.

**The Hon. JOHN GRAHAM:** The 25 per cent to 30 per cent log, was that your expectation about what traffic might increase by or is that the increase that you expect has happened?

**Mr COLLINS:** That was our preliminary estimates that we expected at the time.

**The Hon. JOHN GRAHAM:** Prior to the opening.

**Mr COLLINS:** Prior to the opening. We are obviously going to look at that and see whether that has increased.

**The Hon. JOHN GRAHAM:** As you are monitoring it daily, can you give us some sense of what you think it is?

**Mr COLLINS:** I think there are times of the day that Stoney Creek Road particularly does get busy. We are not seeing bumper-to-bumper trucks and no-one using the M8. We are actually seeing a reasonable utilisation of both the M5 East and the M8. But I appreciate that, for those people who live on those corridors, they are very keen to understand what the impact is and what we are doing about it.

**The Hon. JOHN GRAHAM:** I can confirm that Stoney Creek Road is very busy. I was hoping you could tell us how busy. Do you have that?

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**Mr COLLINS:** We should very soon. As I said earlier, Mr Graham, we should have that information available. We are carrying out our obligation to do that survey within the year and certainly we will be sharing that information with the local community.

**The Hon. JOHN GRAHAM:** When do you expect to release that?

**Mr COLLINS:** I believe in the next few months.

**Mr REGAN:** The original condition of approval around the planning condition for the M8 was that we would do a detailed review within 12 months. So we are aiming to do that by the middle of this year. It is a challenging time but it is normal that, when you introduce a new motorway into the network, you get a change in travel behaviour but that that settles down over time. In the motorway space, you have a ramp up period at times or the network adjusts. While we do not have the full impact yet, I understand that, as I think you indicated, there were around 100,000 cars a day going through the existing M5 East. Certainly, towards the end of last year, the volume crossed the two elements. The M8 and the new M5 was back in the 90,000 to 95,000 range at least and was approaching back to the original levels. So what we are needing to test therefore is, is that an overall increase in traffic volume or is that actually that that initial diversion is gradually flowing back towards the motorway.

**The Hon. JOHN GRAHAM:** Thanks for that answer. So you agree with the figures that are just in public that, for whatever reason—it is possible that COVID has impacted on this—at the moment, there are fewer people on both these roads than there were on the old three.

**Mr REGAN:** That is my understanding. Although certainly the number is much lower than it was and actually that is approaching parity with the original levels.

**The Hon. JOHN GRAHAM:** We are getting back up there perhaps. It is 95,000 or 97,000 or less.

**Mr COLLINS:** It is 97,000.

**The Hon. JOHN GRAHAM:** Mr Collins, what is the split between M5 East and the M8?

**Mr COLLINS:** I have not got that information to hand.

**Mr REGAN:** We can come back on that. I can certainly advise you that the majority—so certainly the large proportion of the flow—is still on the M5 East, but the change onto the M8 has made a very material difference on the level of traffic flow and a significant reduction in congestion on the new M5. Because once you take a certain proportion of traffic away and put it onto the new motorway, the existing motorway flows a lot better as well.

**Mr COLLINS:** I think the other thing I would add, if I may, is that since the M5 East has had the M8 supporting it, crashes are down 36 per cent—from 58 per cent to 37 per cent—which I think shows the flow rates and the improvements for people using the M5 East as opposed to that sort of bumper-to-bumper spring effect you often witness in the mornings.

**The Hon. JOHN GRAHAM:** Yes, the Minister has put some of that on the record as well. We receive—operated by a private company—all that information about traffic flows and the Government obviously owns half of this asset. So we have full access to any of that information about exactly what is flowing through.

**Mr REGAN:** We do.

**The Hon. JOHN GRAHAM:** While we are dealing with those, I might just quickly ask in relation to NorthConnex: What is the number of trucks who have been fined for travelling on Pennant Hills Road since NorthConnex happened?

**Mr COLLINS:** I do not have those details. I understand that several warnings have been issued but I am not aware of the numbers of fines available to us.

**The Hon. JOHN GRAHAM:** I am happy for you to take this on notice for either later in the session or afterwards: the number of trucks that have been fined for using Pennant Hills Road, the number of trucks that are using NorthConnex now and the number that have passed through the truck gantries—that is, the number that includes those who have been fined and those who have not been fined because they might have been appropriately travelling.

**Mr REGAN:** We will take that on notice and see what we can get you. Certainly, anecdotally, the vast majority of trucks that were on Pennant Hills Road that are now intended to be in the tunnel are now in the tunnel. We have been very pleased with the performance, and the public response to NorthConnex has been very positive. I think it has made a wonderful difference not just for the people travelling through to the north of Sydney but,

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clearly, for people in the area along Pennant Hills Road itself and surrounding suburbs. It has made a massive difference. We are very pleased with how it is going so far. I will come back to you with the details.

**The Hon. JOHN GRAHAM:** I turn now to the change to the mobile speed camera program and ask about progress in the rollout of that program. This was announced on 19 November last year and included three different changes. I am interested in how far through those three changes we are. So it was the warning signs, the livery and also the increased hours for the cameras. Firstly, on the warning signs, are all those warning signs now gone across New South Wales? Is that a partial rollout or—

**Mr REGAN:** Just bear with me on that one; I will find that information for you, Mr Graham. Certainly we have made significant progress; I just need to check whether they are all gone.

**The Hon. JOHN GRAHAM:** Okay. I will let you do that. I am interested in how far through that part of the rollout we are.

**Mr REGAN:** I understand.

**The Hon. JOHN GRAHAM:** The livery is coming off some of the vehicles—how many of the vehicles is it coming off?

**Mr REGAN:** I will revert to you on that as well.

**The Hon. JOHN GRAHAM:** Great, okay. And again, how far through that process are we? So it might be coming off—

**Mr REGAN:** Certainly in terms of the process, if I could come back and give you an update on the hours—you mentioned the 7,000 to 21,000. We are aiming to roll that out and finalise that in the second half of this year. So we are some way into that program but aiming to achieve that by the second half of this year.

**The Hon. JOHN GRAHAM:** Yes. So you are some part through the tender process but none of that has happened on the ground. Is that a fair characterisation?

**Mr REGAN:** I think it is probably best on those three that I come back and give you an update as to where we are up to, to the extent we can.

**The Hon. JOHN GRAHAM:** Okay. Do you think we can return to that later in this session—is that what you are hoping to do?

**Mr REGAN:** We will endeavour to see if we can come back on that later this afternoon.

**The Hon. JOHN GRAHAM:** Can you give me any other update more generally on the rollout of that program? Is there anything you would like to put on record?

**Mr REGAN:** I reiterate that from our agency point of view across Transport for NSW, in implementing the policies of the Government in that regard, our objective is to ensure that we can as effectively as possible improve the safety on roads. In implementing those policies that is the objective. Certainly I reiterate the comments made this morning by the Minister that this is not about fundraising. From an agency point of view we would prefer that there were no funds raised from traffic offences because each of those are a safety issue that we are conscious is putting people on the roads at risk. So this is a safety program and we are working to implement the Government policies in that regard.

**The Hon. JOHN GRAHAM:** We have talked about the changes to the program, but how many mobile speed cameras are there on the roads in New South Wales? It has been reported as 45.

**Mr REGAN:** I do not have the exact number. Certainly, the mobile speed cameras operate at just over 1,000 locations that they move between.

**The Hon. JOHN GRAHAM:** Yes, but my question is: The number of cameras is not expected to change under this program, is it? There has been no announcement about that. I assume that that is not the case.

**Mr REGAN:** No, my understanding is that the locations are the locations and the mobile cameras move between them.

**The Hon. JOHN GRAHAM:** Right, okay. So there will not be any additional locations notified publicly or used—is that what you are saying?

**Mr REGAN:** I will confirm that when I respond. I have now located—apologies that I did not have it before. On NorthConnex we have to date seen warning letters issued to just over 6,000 trucks—as of January. The fines at this stage have not been issued but I am expecting the fines will be issued going forward.

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**The Hon. JOHN GRAHAM:** Right. When did that commence or when will that commence?

**Mr COLLINS:** From day one.

**Mr REGAN:** So we were issuing warning letters from the start, and the fines—I think people should not expect to be getting warning letters forever; that fines will be issued.

**The Hon. JOHN GRAHAM:** When will fines start?

**Mr REGAN:** I am probably not going to be able to give you a precise date on that right now, but certainly the rule that has been put in place around the regulation, we expect that trucks are following it.

**The Hon. JOHN GRAHAM:** Okay. I invite you to take that on notice. Often—it would not be unusual for there to be a warning period. It is normally very publicly communicated. So I invite you to take it on notice.

**Mr REGAN:** We can come back with a little bit more detail. Certainly, our expectation is that those regulations are followed and that there will be fines that are associated with those regulations and they will be implemented.

**The Hon. JOHN GRAHAM:** Yes, okay. And we would like to communicate clearly with people about what will be in place.

**Mr REGAN:** Mr Hutchings has the traffic volumes for you, as well.

**The Hon. JOHN GRAHAM:** Great.

**Mr HUTCHINGS:** So the tunnel is designed to take 100,000 cars a day and the stats I have here are, at the moment, 36,121 vehicles on average a day—29,666 are cars and it has taken 6,455 trucks on average off Pennant Hills Road a day.

**The Hon. JOHN GRAHAM:** Great, thank you for that.

**Mr HUTCHINGS:** And changed my life.

**The Hon. JOHN GRAHAM:** Very good. I have enjoyed driving on it.

**Mr COLLINS:** It gets him here half an hour earlier most days.

**The Hon. JOHN GRAHAM:** Absolutely. I take your comments about revenue, Mr Regan; however, revenue has jumped nine times January to January as a result of these mobile speed cameras. Those are the Government's own figures through Revenue NSW. You are not disputing those figures, are you?

**Mr REGAN:** I think it is quite a worry if there is a material increase in fine revenues and penalty fares. If that is because more people are speeding or because more people are being penalised for speeding then that is clearly a concern to us because our objective is to improve the safety on our roads.

**The Hon. JOHN GRAHAM:** Essentially those fines have been going up since this program has been rolled out. The Minister has defended that strongly. One of the things I wanted to ask about, though, was: Since 1 July the number of mobile speed camera fines jumped unilaterally and then stayed higher. What change occurred after 1 July that saw a consistent increase in the number of mobile fines?

**Mr REGAN:** I think that is a question that I will take on notice. I would want to check that with the Centre for Road Safety as to what they believe is contributing—

**The Hon. SCOTT FARLOW:** If only you had called Bernard.

**The Hon. JOHN GRAHAM:** Yes, okay. I might indicate that we would expect to continue some of this discussion across both sets of estimates.

**Mr REGAN:** Absolutely. We understand that and we are happy to try to provide that.

**The Hon. JOHN GRAHAM:** We might signal some of these areas we are moving into and continue this discussion.

**The Hon. MICK VEITCH:** Whilst we are talking about Bernard and the Centre for Road Safety, I just want to go back to some of the questions I started asking the Minister about the Community Road Safety Fund, but more to do with just the process within the department for generating the cost of the expenditures. Clearly, someone must activate the process and then it comes into the department and up to the Minister for consideration, approval or further dialogue. What is that process?

**Mr REGAN:** Perhaps if I could give you at a high level, and Bernard himself would be best to talk to you about the detail—Bernard Carlon, the head of the Centre for Road Safety.

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**The Hon. MICK VEITCH:** We are happy to do this at the regional—

**Mr REGAN:** So we can deal with that. But certainly I guess there is a series of sources of funds that are utilised and there is sort of a base level of funding that is already in place, and sometimes it is multiyear funding that has been put in place, and that is allocated to different programs within the budget of the Centre for Road Safety. Some of those will happen as a business as usual and some of them, as I said, a multiyear, and they are determined within the agency and within the Centre for Road Safety or more broadly. There is also safety expenditure that is undertaken as part of the capital investment, which is not necessarily allocated specifically as Centre for Road Safety but some of the broader safety improvements that we put in place as part of capital maintenance or, in particular, new road projects. I guess, as you would appreciate, it is not entirely possible to identify exactly what is safety versus just good road—certainly there is a safety element in that.

There is then a series of, at times, additional initiatives that the Centre for Road Safety might propose, and they are looked at in the department and would be discussed with the Ministers as well. Some of those require budget funding specifically and would, therefore, either need a reallocation of other funds or supplemental funds or some of them might be funded out of the road safety fund if there are funds available. So I think there is no sort of single answer to your question and certainly if Bernard was here I am sure he would be able to talk at great length at that, but the process that we go through there is around ensuring that there is that base level of program commitment and then additional initiatives that come through are often added on top.

**Mr DAVID SHOEBRIDGE:** My questions are to Ms Holden in her capacity as Acting Chief Executive of Sydney Trains. Ms Holden, you sent an email to staff at Sydney Trains on 17 February in relation to the Sydney Trains enterprise agreement, is that right?

**Ms HOLDEN:** Yes, the date sounds familiar.

**Mr DAVID SHOEBRIDGE:** It says 17 February on my one. In that you were referencing the expiry of the current enterprise bargaining agreement [EBA]. Do you recall that?

**Ms HOLDEN:** That is right, yes.

**Mr DAVID SHOEBRIDGE:** The current EBA is due to expire on 1 May 2021, is that right?

**Ms HOLDEN:** That is correct.

**Mr DAVID SHOEBRIDGE:** And you are seeking a vote of the staff to, by agreement, extend it for six months to 1 November 2021, is that right?

**Ms HOLDEN:** That is correct.

**Mr DAVID SHOEBRIDGE:** And with a 0.3 per cent change in the pay, is that right?

**Ms HOLDEN:** Yes, that is correct.

**Mr DAVID SHOEBRIDGE:** What is your strategy if that is not voted up?

**Ms HOLDEN:** At the moment we are still talking to the unions and our people. That is the focus for us at the moment. It is the Government's mandate the 0.3 per cent and we think that is a very reasonable approach to try to extend their current agreement by six months. Our people, and I think it is probably fair to say a lot of people, are feeling very unsettled at the moment; there is a lot of change happening for them, environmentally as well. We think it is very reasonable that we give them this stability over the next six months and that we look to start another process in six months' time. That is our real focus at the moment.

**Mr DAVID SHOEBRIDGE:** Sorry, I do not think that answered my question. What is your strategy if it is not voted up?

**Ms HOLDEN:** We have not discussed alternatives yet at this point.

**Mr DAVID SHOEBRIDGE:** So are you leaving open the prospect of terminating the enterprise bargaining agreement?

**Ms HOLDEN:** We know that we need to give this process—and it is a process—a run before we discuss alternatives.

**Mr DAVID SHOEBRIDGE:** Will you rule out bringing an application to terminate the EBA given the catastrophic impact that would have on wages for your staff?

**Ms HOLDEN:** At the moment we have not discussed alternatives and had that agreement.

**Mr DAVID SHOEBRIDGE:** Sorry, but this is due to expire on 1 May.

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**Ms HOLDEN:** Yes.

**Mr DAVID SHOEBRIDGE:** Only a few short months from now, and you are saying you have not had any discussion about what you are going to do if your variation is not voted up. Is that seriously your evidence, Ms Holden?

**Ms HOLDEN:** We are discussing with the unions this option at the moment. Internally there are other conversations that we are having and other options that we are looking at.

**Mr DAVID SHOEBRIDGE:** That is what I am asking you about. I am asking you if you will rule out terminating the enterprise bargaining agreement given the catastrophic cut that would mean to the wages and conditions for the thousands of people who keep our train network running.

**Ms HOLDEN:** I am not in a position at the moment to discuss the alternatives. I am happy to take the question on notice.

**Mr DAVID SHOEBRIDGE:** So you are leaving as an option—and this is the message you want to give to the thousands of people who keep our train system running—right now, the prospect of terminating the EBA and savagely cutting their wages and conditions. You are leaving that open in a public hearing.

**Ms HOLDEN:** No. Can I take that question on notice to understand what else? At the moment we are looking at alternatives, but our focus at the moment is really talking to our people and the unions about extending this agreement for six months.

**Mr DAVID SHOEBRIDGE:** Ms Holden, I am giving you the opportunity now to send a clear message to those thousands of our fellow citizens and workers in the State who are getting us to and from home, getting us to and from work, to tell them right now that you are not threatening to cut their EBA. You can give that message now. You said they are living with a degree of uncertainty; you can give them the comfort now. Will you give them that commitment that you will not terminate the EBA?

**Ms HOLDEN:** The EBA will remain in place until we have an alternative agreement.

**Mr DAVID SHOEBRIDGE:** So you are giving that commitment: You will not terminate the enterprise agreement?

**Ms HOLDEN:** I am not in a position at this point to give the information here when it is still in discussion and has not been approved.

**Mr DAVID SHOEBRIDGE:** You had discussions with the unions on 22 February, on Monday, is that right?

**Ms HOLDEN:** Correct.

**Mr DAVID SHOEBRIDGE:** Did you get an agreement?

**Ms HOLDEN:** For Sydney Trains this has to go to all of our employees for the vote. So what we are doing at the moment is talking to the union about the process and a potential time line to enable all of our people to vote on that arrangement.

**Mr DAVID SHOEBRIDGE:** Sorry, did you get an agreement with the unions to the proposition that there be a six-month extension with a 0.3 per cent change in pay?

**Ms HOLDEN:** We actually do not need to get an agreement from the union. We have to go out to all of the members to enable them to vote on this proposal.

**Mr DAVID SHOEBRIDGE:** So you are telling me you cannot be bothered getting the union onside yet, that their opinion is irrelevant for this process, Ms Holden.

**Ms HOLDEN:** No, absolutely not.

**Mr REGAN:** Mr Shoebridge, perhaps if I could comment? We are in a discussion with the unions and we are also going through the process that Ms Holden has put forward around putting a vote to our employees. I do not think this hearing is the time for us to be ruling in or out what happens if we are unable to reach agreement either with the unions or, more broadly, with the employees. We have started that process and in good faith we are going through that process. I am not in a position, and neither is Ms Holden in a position, to set out a series of options if that is unsuccessful. We are actually trying to work through the process.

**Mr DAVID SHOEBRIDGE:** Mr Regan, I was asking about the meeting on 22 February, on Monday. Were you participating in that meeting?

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**Mr REGAN:** No, I was not in that meeting.

**Mr DAVID SHOEBRIDGE:** Who was in the meeting?

**Mr REGAN:** I was not in the meeting.

**Mr DAVID SHOEBRIDGE:** Who was in the meeting?

**Mr REGAN:** You will have to direct that to Ms Holden. I was not in the meeting.

**Mr DAVID SHOEBRIDGE:** Ms Holden, who was in the meeting?

**Ms HOLDEN:** I was there.

**Mr DAVID SHOEBRIDGE:** And who else?

**Ms HOLDEN:** A number of the unions were represented.

**Mr DAVID SHOEBRIDGE:** Which unions?

**Ms HOLDEN:** The Rail, Tram, and Bus Union, the Australian Services Union, the Electrical Trades Union.

**Mr DAVID SHOEBRIDGE:** Did you ask the unions whether or not they agreed to the proposal that you had emailed out to all the staff?

**Ms HOLDEN:** I have to say the relationship that we have with the unions is extremely important to us and has been very, very collaborative over the last few months. I really respect that and we, as a leadership team, really respect the relationship that we have with our unions.

**Mr REGAN:** If I may again? I want to be very clear about this because we can go round in circles, but we are not going to have a negotiation here with a group of people who are not in the room. It is not our intent at the moment, we are not considering terminating that agreement. But I am not in negotiation here—

**Mr DAVID SHOEBRIDGE:** Mr Regan, I am not asking, with all due respect, these questions of you. I object to you seeking to take control of the questioning of another witness who is sworn and brought before the committee. It is not your job to run this inquiry. Do you understand that, Mr Regan?

**The Hon. SCOTT FARLOW:** Point of order—

**The Hon. SAM FARRAWAY:** This is not your Senate campaign.

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

**The Hon. SCOTT FARLOW:** Madam Chair, Mr Regan is the Acting Secretary—

**Mr DAVID SHOEBRIDGE:** It is nice of you to turn up, Sam.

**The Hon. SAM FARRAWAY:** I have been here all day.

**The CHAIR:** Order!

**The Hon. SCOTT FARLOW:** Mr Regan is the Acting Secretary of Transport. It is well within his rights to be able to answer questions that are put by the committee as he has, of course, control as the Acting Secretary.

**Mr DAVID SHOEBRIDGE:** To the point of order: He is not the Minister. If he were the Minister, then absolutely that would be the accustomed practice in estimates. He is here as one of a number of public servants and, unlike a Minister, he—

**The Hon. SCOTT FARLOW:** The top of the tree.

**Mr DAVID SHOEBRIDGE:** That is fine. Unlike a Minister, he does not get the benefit of being the Minister and the ability to take questions on behalf of other public servants, particularly when it is about meetings he was not even in attendance of.

**The CHAIR:** Any member is well within their rights to direct a question to a particular witness and a witness is well within their rights to suggest that someone else is better placed to answer it. But I do object to interruptions from one witness of another witness's answer. Did you want to ask another question, Mr Shoebridge?

**Mr DAVID SHOEBRIDGE:** Did the unions agree to the proposal that you had put out to staff in the meeting on 22 February?

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**Ms HOLDEN:** We were not seeking agreement at that meeting. It was a discussion about process.

**Mr DAVID SHOEBRIDGE:** Did you consult with the unions before you put the proposal by email to all your staff?

**Ms HOLDEN:** We consulted—the 17th was the first time that we met with the unions and we agreed to follow up with a subsequent meeting this week, which we did.

**Mr DAVID SHOEBRIDGE:** So you met with them after you sent the mass email out.

**Ms HOLDEN:** No.

**Mr DAVID SHOEBRIDGE:** How much before you sent the mass email out?

**Ms HOLDEN:** I would need to check my diary and the timing of that. I can take that on notice.

**Mr DAVID SHOEBRIDGE:** In the event that the enterprise agreement is not extended and expires, can you give the committee an indication of what the reduction in the average take-home pay for staff at Sydney Trains would be if they fell under the modern award?

**Ms HOLDEN:** I would have to take that on notice.

**The Hon. MARK LATHAM:** Mr Regan—and you can take this on notice of course—could you please furnish to the committee any record of your officials who attended meetings regarding the Cobbitty to Cawdor tunnel decision in the first half of 2018, the Ministers present, including the Premier, and any notes, minutes and records that they took from those meetings please?

**Mr REGAN:** I am happy to take on notice to have a look into that. I am not aware of whether there were officials from Transport for NSW there. Just so that we are clear, what meetings are we talking about?

**The Hon. MARK LATHAM:** Meetings between March and June of 2018 with senior Ministers such as Constance, Pavey and Berejiklian, and with the two backbenchers present—Patterson and Rowell—to discuss the tunnel proposal from Cobbitty to Cawdor. I understand that officials were present.

**Mr REGAN:** Okay. I will take that on notice. Thank you.

**The Hon. MARK LATHAM:** My next question is to Mr Tim Raimond. Could I refer you to an email you wrote to yourself—like a note to self—on 16 July 2018. It is headed "Feedback from Clare". Am I right in assuming that that is Clare Gardiner-Barnes, Deputy Secretary, Freight Strategy and Planning, Transport for NSW?

**Mr RAIMOND:** That is correct.

**The Hon. MARK LATHAM:** You then wrote in the email or memo to yourself, "action OSO". That is the Outer Sydney Orbital?

**Mr RAIMOND:** Correct.

**The Hon. MARK LATHAM:** And thus with "MVT", I am assuming that is Matt Vane-Tempest. Is that right?

**Mr RAIMOND:** Yes. He was head of media and public affairs.

**The Hon. MARK LATHAM:** Why did you think you needed to discuss a matter of this nature with someone in public affairs?

**Mr RAIMOND:** As you have seen with that memo that was reported in the media this week, I was asked to check in relation to the media reports at the time what information was in the public domain and who was briefed in relation to what. Matt's team was a part of the corridor exhibition process in that they helped us run all the engagement processes.

**The Hon. MARK LATHAM:** Who asked you to check what was in the media and where it came from?

**Mr RAIMOND:** That was my deputy secretary, Clare.

**The Hon. MARK LATHAM:** Right. And what media reports and where they came from were you checking?

**Mr RAIMOND:** So I think there had been media reports that weekend that had alleged an MP might have given inside information about the Outer Sydney Orbital route to developers. That is why I was asked to check.



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**The Hon. MARK LATHAM:** That weekend. I am aware of the *Sunday Telegraph* article on 5 June 2018 but that is some six weeks prior to 16 July. So, what is the media report that you are referring to about the MP who might have given the info to the developers?

**Mr RAIMOND:** I am sorry, I have not checked. That is just my recollection of—that is what Clare asked me to do. I was not aware of the issue myself but Clare raised it with me, so that is what I had a look into.

**The Hon. MARK LATHAM:** Can you take on notice to find out what was the media report where an MP gave information to the developers?

**Mr RAIMOND:** It sounds very similar to the one that you speak about but, yes, I am happy to take that on notice.

**The Hon. MARK LATHAM:** Mr Raimond, do you accept that the Telegraph article by Jennifer Sexton was six weeks prior to your email to self on 16 July?

**Mr RAIMOND:** I am not familiar with the exact chronology but I accept what you say.

**The Hon. MARK LATHAM:** Then you say, "Chinese investor buying up land". Am I right in saying that is Country Garden?

**Mr RAIMOND:** The investigations revealed yes, that was Country Garden.

**The Hon. MARK LATHAM:** Then you say, "Who has been talking to who?" What were they talking about?

**Mr RAIMOND:** Again, I am just quickly typing notes in response to my boss asking me to check into some facts around that, so not my—

**The Hon. MARK LATHAM:** You just said your boss asked you to check into it. Were not you at that time Transport's planning, freight and strategy executive director and Clare Gardiner-Barnes was your deputy?

**Mr RAIMOND:** No, she is the deputy secretary. She is my boss.

**The Hon. MARK LATHAM:** She is your boss. Okay, your boss asked you to look into this media report about an MP who has given information to a land developer. Then you write, "What MPs being briefed?" Were a number of MPs being briefed? You have used the plural there rather than the singular.

**Mr RAIMOND:** Again, I am just recording notes from a meeting I had. That is all they were. But, to sort of go to where you are going with this question, I was asked to check what information about the Outer Sydney Orbital was in the public domain when and which MPs were briefed when about that. I was able to establish that information about the Outer Sydney Orbital had been in the public domain since 2012—the NSW Long Term Transport Master Plan first mooted the Outer Sydney Orbital. It has been gradually refined over time. In 2015 the department exhibited a study area for the Outer Sydney Orbital—

**The Hon. MARK LATHAM:** Sorry, Mr Raimond, that is not what I am asking. I will take you to the next phrase or clause in your email, "How did Daryl Maguire get that info (Wagga)?" What was the info?

**Mr RAIMOND:** Again, it was just in reference to the media article. I was being asked to check which MPs had been briefed. I was able to find out that only local MPs and local councils had been briefed in the days prior to exhibition of the Outer Sydney Orbital corridor. That was both before the study area was exhibited in 2015 and before the actual corridor alignment was exhibited in detail in 2018.

**The Hon. MARK LATHAM:** What was the info that Mr Maguire specifically had? Are you saying that Mr Maguire was mentioned in the news article—you say the week of 16 July? I am unaware of that, we will look that up. Why have you named Daryl Maguire specifically? How did he get that info? You seem to be surprised that someone from Wagga would have that info. What was the info and why the specific reference to Daryl Maguire?

**Mr RAIMOND:** Again, it was referred to me by my boss, who said Daryl Maguire's name. I had never heard of Daryl Maguire. I wrote Wagga so that I knew where he was from. Clearly that was mentioned in the media article and that is why it was raised with me. I was able to check. No briefing had been conducted with Daryl Maguire, only with local members and local councils in that area.

**The Hon. MARK LATHAM:** Around this time, Mr Maguire is in dreadful trouble at the Canterbury council inquiry at ICAC and he has resigned from the Liberal Party and then the Parliament. That was three days prior to your memo to self on 16 July. Are you confusing that with the Outer Sydney Orbital Chinese investor newspaper article?

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**Mr RAIMOND:** As I said, I am happy to take on notice exactly what article I might have been responding to or been asked to respond to.

**The Hon. MARK LATHAM:** Okay, if you can furnish that to the Committee, please. What inquiries did you make about the info that Daryl Maguire had that was supposedly mentioned in this news article of the week of 16 July?

**Mr RAIMOND:** As I have already said, I talked to my team and to Matt Vane-Tempest about the consultation process. I was not actually part of that consultation process. I was offline leading the Future Transport Strategy at the time that consultation happened, so I referred it to my team. They were able to confirm that local MPs and local councils were briefed just prior to exhibition, but no other MPs.

**The Hon. MARK LATHAM:** When did you speak to Matthew Vane-Tempest and what did he say?

**Mr RAIMOND:** We were colleagues in the same leadership team, so it is difficult for me to say. We could have met in the corridor or at our next meeting—any time. We spoke most days.

**The Hon. MARK LATHAM:** And he told you that MPs were briefed months earlier. What did you do then to try to find out about the information that Daryl Maguire from Wagga had? It sounds like Matt Vane-Tempest was not able to answer the inquiry.

**Mr RAIMOND:** All I can tell you is that we only briefed local MPs and local councils. What I was mentioning to you earlier is that quite a bit of information about the route of the Outer Sydney Orbital was in the public domain. Indeed, as well as the 2015 study area that was in the public domain, in October 2017 both the Future Transport Strategy and the Greater Sydney Region Plan were released to the public in draft. They both contain a high-level alignment for the Outer Sydney Orbital. It was actually in response to one of those documents that the media article has been raised.

**The CHAIR:** Thank you. Mr Latham, your time is up but we will come back to you in the next round. Back to the Opposition.

**The Hon. JOHN GRAHAM:** I might return to Mr Regan on the question about a data breach, which was asked of the Minister. In answering that question, the Minister indicated that there had been a breach that was potentially quite serious. He mentioned human life and safety. What information would you like to give the Committee on this? I think it may be appropriate for you to provide some reassurance or some information about whether there is or is not a risk to safety or human life.

**Mr REGAN:** Sure, thank you for that question. What I will say is the issue that was raised and referred to earlier this morning has affected a number of organisations around the world, including here in New South Wales. The New South Wales Government response and investigations into the incident are being led by Cyber Security NSW and the Department of Customer Service. As was discussed this morning, they are looking into this and there is also a police investigation underway at the moment. In saying that, you would appreciate the context that there is an ongoing police investigation and Transport is not the lead agency in this regard.

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

**Mr REGAN:** In that regard, I refer you to those agencies and to the relevant Minister. In terms of the impact within Transport, I can give you an assurance that we regularly assess the threat to our information technology and our operational technology systems. This type of situation where there are potential breaches or attempts to gain access to files or to the system are taken extremely seriously, both internally and by bringing in experts as required. In this particular case, we have gone through quite a detailed process to assure ourselves of the ongoing operational safety of our systems and to identify potential impacts on the information systems more broadly as well as on the operational systems. To the extent that any of those were compromised to the point where they were not safe, we would clearly not be operating without a workaround in place or we would not operate those systems altogether.

**The Hon. JOHN GRAHAM:** Yes, so we can assume from that that you are satisfied those Transport systems on the roads and the rail are safe.

**Mr REGAN:** Yes, we are. We are continuing to work with Cyber Security NSW and more broadly to assist in the broader investigation.

**The Hon. JOHN GRAHAM:** In terms of the impact on Transport, was there an impact or a potential impact on train or traffic signalling?

**Mr REGAN:** No. To be very clear, the information referred to is in relation to an external file transfer system. It is not actually an infiltration into our internal system itself.

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

**Mr REGAN:** It has been an issue, as I said, with some global implications. A number of parties and government agencies in Australia have been impacted either directly or indirectly in terms of some of their files, but it is not an infiltration into the actual system itself.

**The Hon. JOHN GRAHAM:** When did Transport become aware of this?

**Mr REGAN:** More information has become available over the past couple of months that it has been around. I am not sure of the exact date, which was a little bit before—I was not fully in the loop on it. The initial incident is understood to have occurred at the back end of last year or early January.

**The Hon. JOHN GRAHAM:** Okay.

**Mr REGAN:** But there has been investigation in that time.

**The Hon. JOHN GRAHAM:** Could you take on notice exactly when Transport became aware of it?

**Mr REGAN:** I will tell you what I am able to in that regard.

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

**Mr REGAN:** We were certainly aware that our systems may have been in the mix from that time and we have been working with Cyber Security NSW in the lead ever since then.

**The Hon. JOHN GRAHAM:** Yes, okay. Thank you. Mr Raimond, I might turn to where we were on the matters that you were involved in. I want to clarify some of the evidence that you have given so far. You were asked to do this checking. I think you have answered clearly that you really did not know who Daryl Maguire was at that point. Were you directed to the article you have referred to or were you already aware of the article?

**Mr RAIMOND:** I certainly was not aware of the article. I have just had a note, which might help a bit, that there was an article in *The Urban Developer* on 16 July linking Mr Maguire to Country Garden.

**The Hon. JOHN GRAHAM:** Right.

**Mr RAIMOND:** That may have been what I was being asked to respond to.

**The Hon. JOHN GRAHAM:** In *The Urban Developer* on 16 July, and that is the date on which you wrote the email to yourself, there is a reference linking Maguire to Country Garden but not necessarily to this site. Did the article refer to this site?

**Mr RAIMOND:** I will need to review the article. I just got that information.

**The Hon. JOHN GRAHAM:** Okay. So this was raised with you by your boss. Were you given the article at that time or did you seek this out?

**Mr RAIMOND:** Yes, I was asked to check on some facts and I checked on those facts.

**The Hon. JOHN GRAHAM:** Yes. So this article comes up. It is the first reference—it has caused some concern and you have then gone off and made some inquiries. That is really what you are saying. Was this discussion with Clare Gardiner-Barnes in writing or did you meet with her?

**Mr RAIMOND:** No, we met. It was just—

**The Hon. JOHN GRAHAM:** A verbal discussion.

**Mr RAIMOND:** A standard management meeting, yes.

**The Hon. JOHN GRAHAM:** Okay. It was raised in the management meeting, was it?

**Mr RAIMOND:** That is right.

**The Hon. JOHN GRAHAM:** Yes, okay. How long did it take you to go and make those inquiries?

**Mr RAIMOND:** I do not recall exactly. I think some information was easy to find and some would have taken a bit more time.

**The Hon. MICK VEITCH:** Is it sort of like a day or maybe a week to pull that all together?

**Mr RAIMOND:** That would be speculation but, yes, it could have been anything from a day to a week or two.

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**The Hon. JOHN GRAHAM:** Yes. And you have sought information about the consultation process which was being carried out by Transport. That has really told you—and we take this from the emails—that the information about the route had not leaked out of Transport. You have effectively closed that off as one of the options.

**Mr RAIMOND:** All I can do is refer to my previous answer, that we had briefed local members and local councils in the days leading up to exhibition, certainly not before. I guess that is the answer.

**The Hon. JOHN GRAHAM:** This is in the days before. So it is probably not the source. Would you have briefed them in detail with this very close alignment of the route that ends up in this—

**Mr RAIMOND:** Prior to exhibition of those things, we would generally show but not give the kind of exhibition material that would be around. That would include detailed maps and so on, yes.

**The Hon. JOHN GRAHAM:** You are talking about the route announcement.

**Mr RAIMOND:** That is right.

**The Hon. JOHN GRAHAM:** You are talking about March, I think, 2018.

**Mr RAIMOND:** March 2018. That is right.

**The Hon. JOHN GRAHAM:** The concern here is about the map that arrives in December 2017. Based on your inquiries, that could not have come from Transport and those briefings.

**Mr RAIMOND:** Yes, that December 2017 map is certainly not a Transport map. But I do note that it was produced in response to the Greater Sydney Region plan and the Greater Sydney Region plan did contain a map showing a high-level Outer Sydney Orbital route.

**The Hon. JOHN GRAHAM:** A very high-level route.

**Mr RAIMOND:** Yes, deliberately not with property boundaries on it. But you could still zoom in to that map and get the shape of the Outer Sydney Orbital.

**The Hon. JOHN GRAHAM:** You have seen that Greater Sydney Commission submission from Country Garden, clearly.

**Mr RAIMOND:** I have, yes.

**The Hon. JOHN GRAHAM:** You agree that is in a far greater degree of detail than—

**Mr RAIMOND:** Yes. A line has clearly been overlaid on top of somebody's detailed property holdings.

**The Hon. JOHN GRAHAM:** You agree that, however it happened—you are not aware of how it happened—that does align with the route that eventually ends up—

**Mr RAIMOND:** No, it does not align with the route.

**The Hon. JOHN GRAHAM:** Tell us about that.

**Mr RAIMOND:** The route that was exhibited in March is similar, but it is not the same as that route. I think, fairly obviously, the reason it is similar—if you know that area around Cawdor—it is highly constrained. To the south of our alignment is the Razorback range. To the north of our alignment is a heritage estate. There is a road in between, which is Finns Road. Pretty much, the only way you can get through that area is that site. It should not have surprised anybody that that is where the Sydney orbital would have to go if it was going to reach the Hume Highway.

**The Hon. JOHN GRAHAM:** Thank you. That is useful, although all the previous maps that I have seen that have variously been suggested are all much more high level than the document that is then published, either the submission to the Greater Sydney Commission by the developer or the route that is finally announced. That is really when we get down a specific route, in those two instances. Do you agree with that?

**Mr RAIMOND:** Certainly, the route that we exhibited in March 2018, which did show property boundaries and property impact, got into the details.

**The Hon. JOHN GRAHAM:** You have seen the 2015 route information, I am sure. You have seen that. I will not necessarily table it. It is a very broad sweep of western Sydney, essentially, in 2015.

**Mr RAIMOND:** The purple haze, we called it.

**The Hon. JOHN GRAHAM:** That is the usual process. In the reports this week, the company says this:

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Risland relied upon publicly available plans on road routing in the area that were provided as exhibits by Transport for NSW in 2015. They could not have relied on that 2015 purple haze to draw the very specific line through the corner of their property, could they? That is impossible, just based on a commonsense look at those two documents.

**Mr RAIMOND:** Yes. Certainly the 2015 consultation was about a study area, not a particular route, but was designed to get feedback from the community and landowners and so on about what might be a sensible route through that area.

**The Hon. JOHN GRAHAM:** Based on your experience in Transport and agreeing with the Minister's view, you would agree that for those in transport infrastructure, when the curtain goes up on those final routes is an important moment. That is where the money is made; that is where the final route is known. No developer should know precisely where the route goes before the public knows.

**Mr RAIMOND:** No, we certainly are at great pains not to reveal detailed maps before exhibition. We do, obviously, go and doorknock or otherwise notify landholders immediately that that happens. But, yes, we hold that information very tightly.

**The Hon. JOHN GRAHAM:** It is something you are very conscious of in doing that. Of course you have to do certain activities. But you are very conscious of that. Is that correct?

**Mr RAIMOND:** Yes.

**The Hon. JOHN GRAHAM:** Thank you. I might just ask then about your investigation. That this did not come out of Transport is one of the conclusions you have drawn. Have you drawn any other conclusions about how it was known, how this map came to be drawn?

**Mr RAIMOND:** Not anything more than I have already mentioned today. It is a very constrained area. There were high-level route alignments in the public domain from October 2017, which in fact is what Country Garden's submission said they were responding to.

**The Hon. JOHN GRAHAM:** Obviously you have inquired to the extent you can, you have done your job to inquire among the Transport teams you are working with. You are unable to inquire elsewhere into the Government about what ministerial officers may have known or may not have known. That would not have been the scope of your investigation into this.

**Mr RAIMOND:** No, certainly not.

**The Hon. JOHN GRAHAM:** Mr Regan, I think you have already agreed to this when my colleague asked you about those meetings that did occur. We are talking about meetings between April 2018 and 22 June 2018, those two or three meetings chaired by the Premier in the Premier's office. Departmental officials are present. You were taking on notice who those officials were. I think you have taken on notice any briefing notes, any notes that might have been taken. But I am also asking you to take on notice, if you have not already, any briefing notes that were prepared for any of those meetings. Let me ask you first. Were any briefing notes prepared, to your knowledge?

**Mr REGAN:** Certainly I did take on notice that I would see whether any departmental officials attended those meetings, which I will do. Your question is, were there any briefing notes prepared?

**The Hon. JOHN GRAHAM:** Yes. Are you prepared to take on notice any notes that were taken at those meetings, to produce those, firstly?

**Mr REGAN:** If there were any departmental officials there. I am happy to look into that, yes.

**The Hon. JOHN GRAHAM:** Good. And produce them if they exist.

**Mr REGAN:** Yes, and I will look if there are briefing notes, if they exist.

**The Hon. JOHN GRAHAM:** Secondly, were any notes prepared for the meetings?

**Mr REGAN:** Yes, I am happy to look into that, take that on notice.

**The Hon. JOHN GRAHAM:** Great. And produce those if they are the case.

**Mr REGAN:** Yes, sir.

**The Hon. MICK VEITCH:** Mr Raimond, that meeting just before the route was announced or that documentation, the meeting with the MPs, were they provided with any takeaway materials at all?

**Mr RAIMOND:** No.

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**The Hon. MICK VEITCH:** Can you categorically rule out that they received any takeaway goods?

**Mr RAIMOND:** I can, yes. We are very deliberate.

**Mr REGAN:** Mr Raimond has explained his understanding. We believe that the information discussed as to what was in the public domain—from Transport's point of view there is a sequence. That, as you say, starts very broad and narrows down. I am quite happy for us to provide you with what, we believe, was published when from Transport's point of view. But I cannot, obviously, speak for other departments. I would make the point that, notwithstanding that level of refinement and development, at this point the project has not proceeded and we have not been acquiring that land either. The level of refinement and development of a corridor continues to change over time. Trying to make sure we can be as helpful as possible, but I do not think there is anything more that we have got that we have not put forward.

**The Hon. JOHN GRAHAM:** But that time line will be helpful.

**Mr REGAN:** I am very happy to indicate where we published and what we published because that is what we put out into the public domain over a period of time from 2012. I am happy to take that and bring that forward to you as well.

**The Hon. MICK VEITCH:** I just want to go back to the Community Road Safety fund, again more at your level, Mr Regan, if I could. Prior to the bell ringing last time, we were just talking about the process upon which expenditure requests are elevating to the Minister's office and which Minister actually signs off on it. We have determined it is Minister Constance. Does Minister Toole ever sign off on any of the requests for funding out of the Community Road Safety fund?

**Mr REGAN:** Yes. Some of the road safety initiatives that we are looking at are in that part of the portfolio as well.

**The Hon. MICK VEITCH:** I will explore those with Minister Toole at his hearing. So the ministerial sign-off takes place. What is the public reporting of this fund? What is the process? Is it an audited fund?

**Mr REGAN:** Perhaps I can come forward to you with that. I know that we do publish a summary. I know that Minister Constance had one this morning. Perhaps if I could come back to you. I will take on notice what is published and what the process is. The fund itself is not a standalone legal entity but it is a fund of which monies come in and out. All of that is accountable.

**The Hon. MICK VEITCH:** And they are substantial. We are getting substantial monies into the fund.

**Mr REGAN:** Absolutely, but that is all accounted for, the ins and outs, and reported each year. That is right.

**The Hon. MICK VEITCH:** With regard to the ministerial sign-off, I think Minister Constance said this morning the "macro sign-off", but what about if there are one-off funding requests or initiatives that come out of the Centre for Road Safety?

**Mr REGAN:** That is what I was referring to. There is that level of base, business-as-usual activities that they are doing. There are different requirements for the sign-off of different aspects. There are sign-offs around advertising campaigns that might need to go through different routes—potentially even through to Cabinet advertising committees—and there are particular initiatives that would go forward that would need to be considered by the relevant Ministers. I think perhaps it might be best for me to get that information and come back to you. I will take on notice the administration and the reporting on that fund because it is, as I understand it, relatively transparent.

**The Hon. MICK VEITCH:** When you said the "Cabinet advertising committee", does that include the sponsorships that are paid for out of this fund?

**Mr REGAN:** I am not sure. I will revert on that.

**The Hon. MICK VEITCH:** Can you just check because the sponsorship clearly is an issue. I mean, is it advertising, for instance?

**Mr REGAN:** Yes.

**The Hon. MICK VEITCH:** So does it go through the Cabinet—

**Mr REGAN:** I am not sure of the precise nature but there are certainly different procedural routes for sign-off, be it sponsorship or advertising and other programs that involve an element of that.

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**The Hon. MICK VEITCH:** So for something like police overtime, some of that is paid via this fund. Does the Minister sign-off in advance, or what is the process for the Minister to authorise the sign-off on that activity?

**Mr REGAN:** Unfortunately I am not aware of those specifics, so I will take that on notice and revert.

**The Hon. MICK VEITCH:** I want to explore that again in Minister Toole's hearing as well.

**Mr REGAN:** I have got the flavour, so I will come prepared.

**The Hon. SCOTT FARLOW:** You are prepared.

**Mr REGAN:** Bernard Carlon is the name of the man at the Centre for Road Safety. We will make sure that he is prepared if he is called.

**The Hon. SHAYNE MALLARD:** You just dobbed him in.

**The Hon. MICK VEITCH:** I have not suggested that that may be the case. It is up to my colleague.

**The Hon. SHAYNE MALLARD:** With friends like that.

**The Hon. MICK VEITCH:** Sorry, did you take on notice whether or not the sponsorships are part of the fund?

**Mr REGAN:** Yes, I will look at that.

**The Hon. MICK VEITCH:** Because that is also important.

**Mr REGAN:** We are very happy to give you some visibility and allay concerns that you have around the level of transparency. I think it is actually quite transparent.

**The Hon. MICK VEITCH:** The transparency is important because it is actually a road safety fund, which is important. I come from regional New South Wales, so it is pretty important to see where that money goes for road safety.

**Mr REGAN:** Indeed.

**The Hon. MICK VEITCH:** Hence an interest in the fund.

**Ms CATE FAEHRMANN:** I just wanted to ask some questions about wildlife underpasses and overpasses. I am not too sure who to direct this to.

**Mr REGAN:** Start with me.

**Ms CATE FAEHRMANN:** Let's see how we go.

**Mr REGAN:** And my colleague Mr Collins will be able to help as well.

**Ms CATE FAEHRMANN:** I think you heard my line of questioning to the Minister this morning in relation to koalas. I just wanted to get a sense from you in terms of when there are dangerous crossings for koalas across New South Wales—I know that there are koala crossing signs somewhere, but we have also heard from members of the community who have identified particular areas and who say that more needs to be done—what does the department do? So what is the department doing at the moment in terms of installing more underpasses and overpasses?

**Mr REGAN:** Thanks for the question. I will also address your question from this morning that I said I would come back to you on. Firstly, I will reiterate as a department the very strong focus in this area and to try and work as best we can to support broader Government objectives around koalas and other native animals. The issue firstly around Appin Road and the Mount Gilead Estate that you were referring to, I think it is important to note that while the developer of that land, Lendlease, has put forward a proposal—and I think you mentioned a proposal around some koala underpasses—that is their proposal and Transport is asked to assess that, but the decision as to what is required around the level of protection for koalas, for other animals or for environmental factors is part of the assessment that the Department of Planning, Industry and Environment [DPIE] undertakes.

Certainly it is not uncommon for developers of land to put forward proposals that may or may not ultimately be assessed as adequate by the Department of Planning, Industry and Environment or by Transport. The fact that developers put them forward does not mean that they are necessarily the best outcome. In this case we are continuing to work with DPIE, which has established a panel to look at the zoning issues around a particular estate and that development. The Chief Scientist & Engineer has also done a report, which has looked at those koala issues.

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**Ms CATE FAEHRMANN:** That is that technical assessment panel or something, is that correct?

**Mr REGAN:** The technical assurance panel I think is the name. That is right.

**Ms CATE FAEHRMANN:** Who are the members of that panel?

**Mr REGAN:** I do not know but I can come back to you. I could take that on notice.

**Ms CATE FAEHRMANN:** Come back to me with that?

**Mr REGAN:** We are continuing to work with them, fully considering those recommendations and working with the Chief Scientist & Engineer as well as that panel. The project is still in design, so it is not that things have been ruled in or out. We are very keen to ensure that that is achieved in a way that deals with those important issues as well as allows the other aspects of the project. The road is obviously only a part of the project. The broader development I think is the issue that is driving the need for some of this. We will continue to work to do that. We do not agree with the assertion that we are slowing this down at all. In fact, if anything, we believe we are working proactively to try and ensure that the protection that is implemented is both constructable and effective. But ultimately it is DPIE as part of its investigations that determines what is required and what the conditions of any plan approval are.

**Ms CATE FAEHRMANN:** I have limited time, so that is fine. Thank you.

**Mr REGAN:** That is fine? That process is, I think we could argue, pretty consistently what is in place where there is a developer who is making the proposition. If it is Transport that is initiating the project, it still goes through that process where it is the environment department that is assessing.

**Ms CATE FAEHRMANN:** Thank you. That was a very informative answer. Coming back to koala crossings broadly, when there are clearly areas of road where there are quite a number of koala deaths occurring—I have been approached by some members of the public who are concerned about one. I will give you an example: It is Deadmans Creek on Heathcote Road, Sandy Point. It is a notorious koala kill spot apparently. Six or eight koalas are killed every year. There is nothing there in terms of an underpass or signage as I understand it. What happens with Transport for NSW? What do you do to try and stop these koala deaths?

**Mr REGAN:** Certainly if there is a regular pattern, I am sure that is something that is brought to our attention, or if we ourselves are aware we would look to see what can be done to mitigate that.

**Ms CATE FAEHRMANN:** How does that happen? So this has been happening for quite a few years apparently. It is a notorious spot for deaths of koalas. So when you say, "We would look at that", what is the process and how is it fast-tracked?

**Mr REGAN:** It depends how it comes to us. If it is a planning condition around a new development—

**Ms CATE FAEHRMANN:** No, these are just roads. They are there, koalas are crossing, they are getting killed.

**Mr REGAN:** Yes. We have our own internal environmental team who would look at that, but I think it really does depend how that issue is brought to our attention.

**Ms CATE FAEHRMANN:** What would be the best way for a member of the public to bring it to your attention?

**Mr REGAN:** I would say that the best thing I could do is to take on notice details of the specific issue at Heathcote Road and come back to you. Because certainly if there is an issue there that we can look to address, we would be very happy to look at that.

**Ms CATE FAEHRMANN:** These are members of the public having to rescue koalas. One was hit by a semitrailer and another had a koala carrying a joey and was wandering down the centre of the same street. These are very busy roads. So Heathcote Road, Sandy Point, take that on notice and have a look at that.

**Mr REGAN:** I am happy to take a look at that.

**Ms CATE FAEHRMANN:** Secondly, a different issue but again koalas—because for some reason a lot of people come to me about koalas these days—at the Moorebank Intermodal Terminal. That is also being constructed in koala habitat as I understand it. The intermodal terminal itself—I think this is the second stage of the intermodal terminal—is basically happening in koala habitat. I have a photo in front of me again. It says "koala crossing". That is a sign with "koala crossing" and it has the construction, Mr Regan, right behind the koala crossing. What the local community are asking me to ask you today is: What is being done to ensure that koalas have safe movement? This is clearly in the middle of a corridor and the development is happening right behind it, which does not look great for koalas. Do you know what is happening there?



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**Mr REGAN:** I do not, and I would look into it. If it is the construction of the intermodal terminal itself, I think it may well be a Federal Government issue. That is not an attempt to pass concern for the koala. I will look at what involvement we have and I am certainly happy to try and give you some assistance, if we can.

**Ms CATE FAEHRMANN:** Just from a broader, big picture perspective on this—yes, the developments are potentially Federal responsibility; however, the road, I assume, is still part of your bailiwick.

**Mr REGAN:** It may be. Some of the roads around there are State. Some are local. I am happy to look and see whether there is something that we can contribute to.

**Ms CATE FAEHRMANN:** The Government has committed to doubling koala numbers by 2050. One of the key threats to koalas is roadkill. Is there anything with the department in terms of meeting targets or addressing those threats that you are undertaking?

**Mr REGAN:** I am very happy to look into that for you. Can I come back on that?

**Ms CATE FAEHRMANN:** Does anybody—

**Mr REGAN:** I am not sure whether we have the right people here because it is in our environment area, which we do not have a representative from today. But I am certainly happy and I will genuinely come back to you and we can have a discussion around that.

**Ms CATE FAEHRMANN:** Okay. The last question from me is: I mentioned this morning the different link options in terms of the orbital link—the different options between Menangle Road and Appin Road around Campbelltown.

**Mr REGAN:** Yes. Mr Collins has some information for you on that.

**Mr COLLINS:** Following your inquiry this morning, we are going through a consultation process. There are four short-listed options which are available. As Transport for NSW, we have been consulting with key stakeholders, including the Department of Planning, Industry and Environment [DPIE] and Campbelltown City Council, during the planning process. Obviously we study all sorts of constraints from heritage to air quality, biodiversity, flooding, landscape, character, land use, noise and vibration. The project team has also developed criteria to measure each option from traffic efficiency to public transport, land use, environmental impact, value of money and safety.

**Ms CATE FAEHRMANN:** Does that include impact on koala habitat or koala corridors?

**Mr COLLINS:** I believe it does. Biodiversity—both flora and fauna—is included within that study and is certainly part of the consultation to ensure that we understand the impacts. We work obviously with the planning department, DPIE, because they actually are the responsible department when it comes to that assessment, as was talked about earlier.

**The CHAIR:** Mr Latham?

**The Hon. MARK LATHAM:** Thank you. Mr Raimond, I have had an opportunity to look at this article in *The Urban Developer* on 16 July 2018 and it makes no mention of the Outer Sydney Orbital. It makes no mention of Cawdor and it makes no mention of Daryl Maguire having any special information about anything. It is a standard report that Maguire had been busted seeking commissions for Canterbury council for developments, where he planned to sell the land there to Country Garden. Mr Raimond, under oath at this Committee, what are you really telling us in answer to an explanation about this email?

**Mr RAIMOND:** As explained earlier, I was asked by my boss to check some facts. It is my understanding that it was in relation to an article that had been in the paper on the weekend, but maybe it was this article. I am not too sure what it was in relation to. My boss asked me to check, so I just checked up on the facts associated with her questions.

**The Hon. MARK LATHAM:** You have just said, Mr Raimond, you are not too sure what the information was associated with, but you have listed Outer Sydney Orbital, the Chinese investor—that is, Country Garden—what MPs were being briefed and how did Daryl Maguire get that info. You did know, did you not, exactly the sort of issue that Clare Gardiner-Barnes had raised with you? And it had nothing to do with *The Urban Developer* article on 16 July. What was it to do with, Mr Raimond?

**Mr RAIMOND:** As I have explained, I had a meeting with my boss, Clare. She asked me to check some facts in relation to those issues that you saw in my note, and that is what I did.

**The Hon. MARK LATHAM:** What were those facts?

**Mr RAIMOND:** Exactly as I wrote in my note.

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**The Hon. MARK LATHAM:** What was the information that Daryl Maguire had?

**Mr RAIMOND:** I think that was what I was being asked about—whether he might have had any information.

**The Hon. MARK LATHAM:** No. You have written here, "How did Daryl Maguire get that information?" You were asked to find out how did Daryl Maguire get that information. And then, under any understanding of plain English, he had information that obviously raised an alarm bell somewhere. It was your job to find out how he got that information. Do you accept that?

**Mr RAIMOND:** Look, I just refer to my previous answer—that I was asked to check some facts around who was briefed and when. Certainly my boss was clearly aware that Country Garden had property ownership in that area and that may have prompted the question, but that is pure speculation on my part. I do not actually know what my boss based her request on.

**The Hon. MARK LATHAM:** Do you accept that *The Urban Developer* article on 16 July makes no mention of Cawdor or the Outer Sydney Orbital?

**Mr RAIMOND:** I would have to have a close look at that. As I said, I have just received information about that.

**The Hon. MARK LATHAM:** Could I take you to the email you received on 9 August from Geoff Cahill, who was in charge of corridor preservation at Transport for NSW? He wrote to you on Thursday 9 August as follows:

Rachel Simpson ...

—she was the manager of parliamentary services—

... has contacted me and asked if we have spoken to Country Gardens during the corridor identification process ...

Why was Geoff Cahill writing to you in those terms?

**Mr RAIMOND:** Because I was Geoff Cahill's boss, so he was probably just informing me that he had been asked a question and that he had responded to it.

**The Hon. MARK LATHAM:** Who asked him the question?

**Mr RAIMOND:** I think it was Rachel Simpson. Did you not just say?

**The Hon. MARK LATHAM:** Why was she asking the question and why did Mr Cahill need to report to you about that?

**Mr RAIMOND:** I do not know why she was asking the question, but I am Geoff Cahill's boss, so that is why he would have told me.

**The Hon. MARK LATHAM:** And had you asked Geoff Cahill to find out some information about Country Garden and the corridor identification process?

**Mr RAIMOND:** Potentially. As part of my checking about the facts in relation to the request that Clare had made of me, I may have.

**The Hon. MARK LATHAM:** So, why were you asking Geoff Cahill about the corridor identification process—the Outer Sydney Orbital—if the article you told us about earlier on made no reference to that?

**Mr RAIMOND:** As I said, I was responding to a request from my boss. I have answered the question.

**The Hon. MARK LATHAM:** Why do you think Clare Gardiner-Barnes was interested in what information Daryl Maguire—and maybe other MPs—had about the Outer Sydney Orbital?

**Mr RAIMOND:** I cannot speak for Clare.

**The Hon. MARK LATHAM:** Why do you think Rachel Simpson was involved as the manager for parliamentary services?

**Mr RAIMOND:** I cannot speak for Rachel, either. I am sorry.

**The Hon. MARK LATHAM:** Is it your conclusion, at the end of your investigations, that whatever information was available to Daryl Maguire or any other MP about the Outer Sydney Orbital did not come from departmental sources?

**Mr RAIMOND:** I can only refer to my previous answers on these matters.

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**The Hon. MARK LATHAM:** And how did you report back to Clare Gardiner-Barnes? This must have been an extensive investigation you were launching, because it is three weeks later—this email from Geoff Cahill to you on 9 August. When was the investigation concluded and what did you report to Clare Gardiner-Barnes?

**Mr RAIMOND:** There was no investigation. I was just asked to check some facts, which I did. The email that you refer to from Rachel to Geoff was not related to the checks that I undertook.

**The Hon. MARK LATHAM:** What was it related to?

**Mr RAIMOND:** I do not have the answer to that. You would have to ask Rachel.

**The Hon. MARK LATHAM:** Plainly from these emails, from 16 July to at least 9 August there is an internal investigation or fact-finding mission relating to the Outer Sydney Orbital with mention of Daryl Maguire, who has spoken to Country Garden. This went on for more than three weeks. Is that right?

**Mr RAIMOND:** Clearly, there were still questions being asked, yes.

**The Hon. MARK LATHAM:** Do you know when the investigation was concluded?

**Mr RAIMOND:** As I said, there was no investigation. I just checked the facts and would have reported back to my boss at one of our regular meetings.

**The Hon. MARK LATHAM:** What did you tell her?

**Mr RAIMOND:** That there was a lot of information in the public domain, as I have outlined here, and that only local MPs and local councillors were briefed in the lead-up to the exhibition.

**The Hon. MARK LATHAM:** What was your final conclusion then about how Daryl Maguire got that information, given that he was not "local MPs".

**Mr RAIMOND:** I would not wish to speculate.

**The Hon. MARK LATHAM:** You do not want to speculate to this Committee about your own conclusion? It is your conclusion. You really should answer the question as to what you did conclude.

**Mr RAIMOND:** My job is not to speculate; it was to check on the facts of the matter, and I checked.

**The Hon. MARK LATHAM:** Was this in writing to Clare Gardiner-Barnes or verbal?

**Mr RAIMOND:** No, I would have discussed it at our next managers' meeting.

**The Hon. MARK LATHAM:** When would that have been?

**Mr RAIMOND:** Soon after.

**The Hon. MARK LATHAM:** Okay, so how does that explain the email to you on 9 August when this fact-checking exercise is still underway?

**Mr RAIMOND:** It does not explain that, I am sorry.

**The Hon. MARK LATHAM:** It does not explain it. Can you tell the Committee why you think Geoff Cahill emailed you to tell you about the contact from Rachel Simpson? Was it part of ongoing discussions you were having with Geoff Cahill, given he was the director of corridor preservation?

**Mr RAIMOND:** No, I cannot. He was clearly responding to a question from Rachel.

**The Hon. MARK LATHAM:** Okay. I will go to Mr Regan. Out of the earlier session today, the Minister is now checking details of the meetings with Premier Berejiklian and the news that Country Garden was likely to get the interchange at Cawdor, which is of enormous financial benefit to them and Daryl Maguire. Now there is confusion as to the origins and reason for these two emails of 16 July and 9 August. Will there be a thorough Transport for NSW investigation to establish the facts of these matters?

**Mr REGAN:** Perhaps if I could start with your question relating to the interchange, I do not think it was said this morning that there would be an interchange on that land. Certainly, while there was a discussion, I think at your suggestion, around the fact that some road tunnels have interchanges at each end, that does not mean that there is an interchange at the end of each road tunnel. So, certainly, at this stage there are no detailed plans around interchanges along that section. If we look at, say, the NorthConnex tunnel, as referred to this morning, there are entrances and exits. There is an interchange at Pennant Hills Road in the north but at the southern end it actually comes into an existing motorway corridor. It may be that in the future the tunnel just comes up as a portal and keeps going, so I do not agree with the suggestion that there would necessarily be an interchange there. There has

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been no decision on proceeding with the project or the location of any interchanges or the final alignment of that project, and that is a decision for another day sometime in the future.

**The CHAIR:** Thank you. Unfortunately, your time has expired, Mr Latham.

**The Hon. MARK LATHAM:** And the second part of my question?

**The CHAIR:** Sorry, Mr Latham, you will need to wait. We will go back to the Opposition.

**The Hon. JOHN GRAHAM:** Thank you, Chair. Mr Raimond, I might finish clarifying a couple of the answers I think you have given. After what you have just said, I am now confused about whether you are saying this *Urban Developer* article on 16 July is definitely the article that triggered the concern or whether you think it might be the article that triggered the concern? Which of those two things are you telling us?

**Mr RAIMOND:** I am not absolutely certain. That would have to be a question for my previous boss, who is not here.

**The Hon. JOHN GRAHAM:** Yes, so it did not trigger your concern, but you think this could have been the trigger.

**Mr RAIMOND:** It certainly happened at the same date.

**The Hon. JOHN GRAHAM:** Yes, okay. I have also read the article. It makes no reference to this particular property or dealings out in this part of Sydney. It is very much about the dealings at the ICAC. You did not draw the link. The article does not draw the link. The link was drawn for you. Was it Clare Gardiner-Barnes who drew that link? She was the person who put that to you.

**Mr RAIMOND:** That was certainly the note that I took, yes.

**The Hon. JOHN GRAHAM:** Yes. Did she give you the article or did you find that article subsequently yourself?

**Mr RAIMOND:** No, she did not give me the article. She just asked me to check our actions in relation to those matters that she raised with me, and that is what I did.

**The Hon. JOHN GRAHAM:** Right. So you are saying to us that you were asked to go away and check how this might have become a concern. I think you are saying to us that you do not know, but this could have been one source, although it seems probably unlikely, given it does not draw the link between these two sites. Do you agree with that?

**Mr RAIMOND:** Potentially.

**The Hon. JOHN GRAHAM:** You said that the article had been drawn to your attention just now, I think, as one potential source of information. Who drew that to your attention just now?

**Mr RAIMOND:** Somebody behind me. I am not sure who.

**The Hon. JOHN GRAHAM:** There are a lot of people sitting behind you. Can you narrow the field?

**Mr RAIMOND:** No, I do not know. I just saw a hand.

**The Hon. JOHN GRAHAM:** Does anyone want to volunteer? I ask you to take that on notice, Mr Raimond.

**Mr RAIMOND:** Sure.

**The Hon. JOHN GRAHAM:** Or perhaps Mr Regan, on Mr Raimond's behalf, might be appropriate.

**Mr REGAN:** Can you be clear what you are asking me to take on notice?

**The Hon. JOHN GRAHAM:** The witness has been supplied with either an article or the suggestion that this perhaps might have been the article. Can you take on notice which of the team sitting behind both of you has supplied that?

**Mr REGAN:** Okay, I can take that on notice to see whether I can, but I am not sure.

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

**The Hon. SCOTT FARLOW:** He has a Post-it note—Inspector Clouseau.

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**The Hon. JOHN GRAHAM:** Okay, thank you for that. I will deal with this and then hand to my colleague. Mr Regan, I want to deal with some of the reports that arise out of a call for papers that I think my colleague might have—

**The Hon. MICK VEITCH:** That would be me.

**The Hon. JOHN GRAHAM:** Much obliged. And that produced the asset management plan for Transport. One of the things that dealt with, bearing in mind this document relates back some time, was a series of unfunded business cases and also, at the time, unfunded election commitments. They were contained in table 6.8 of the Sydney Division asset management plan. You are looking like you are not necessarily familiar with this.

**Mr REGAN:** Would you be able to table the document so I could answer the question specifically?

**The Hon. JOHN GRAHAM:** Yes, I am certainly happy to. If you are in a position to answer this now, I would be very happy to. Otherwise, I might invite you to take it on notice.

**Mr REGAN:** I am certainly happy to attempt to answer. I doubt we will be able to answer. I want to make sure we get the answer right, but if you want to ask me the question—

**The Hon. JOHN GRAHAM:** Good. It is really in relation to—the last set of documents I handed over to the Minister, he has not given back, so if these ones can come back. These are the documents. They relate to 26 unfunded election commitments at that point and then four partially funded business cases. What I would like is an update on funding for those projects. Obviously it was a real concern that there might be election commitments made by the Government unable to be funded because of the macro Transport funding at the time. Where are they up to now, now that some time has passed and some attention has been paid to them? If we could get, on notice, an update on those projects—it is really an update on funding—and, secondly, an update on timing, although I am open to anything you might want to put.

**Mr REGAN:** No, I will take that on notice, thank you. I understand your question, thanks.

**The Hon. JOHN GRAHAM:** Good.

**The Hon. DANIEL MOOKHEY:** Thank you, Mr Regan. It is good to see you again. In 2015 and 2016 you were the department Secretary of Transport for NSW. Is that correct?

**Mr REGAN:** I am sorry, could you ask that again?

**The Hon. DANIEL MOOKHEY:** In 2015 and 2016 you were the Deputy Secretary of Transport for NSW. Is that correct?

**Mr REGAN:** That is correct, yes.

**The Hon. DANIEL MOOKHEY:** What was your exact title?

**Mr REGAN:** In 2015 and 2016 I was the Deputy Secretary of Finance and Investment.

**The Hon. DANIEL MOOKHEY:** And you reported directly to Mr Tim Reardon, the then secretary—correct?

**Mr REGAN:** That is correct.

**The Hon. DANIEL MOOKHEY:** And you were a member of the Transport for NSW Finance and Investment Committee throughout 2015 and 2016—correct?

**Mr REGAN:** That is correct.

**The Hon. DANIEL MOOKHEY:** Were you involved in the Parramatta Light Rail project in 2015-16?

**Mr REGAN:** As a member, as you say, of the Finance and Investment Committee, which is a key internal financial body within Transport, and given my role as the Deputy Secretary of Finance and Investment, I was involved in looking at financial proposals, financial approvals and financial matters across the Transport cluster of various types. In that role, the Finance and Investment Committee at times sees information on projects where there were changes in budgets between years or approvals of particular expenditures or advancing of funds, as well as approval of project budgets and the general financial management of the organisation. So I am not quite sure what you mean by "Was I involved?" But, yes, there are decisions that the Finance and Investment Committee [FIC] would have made around most of our projects that were ongoing at that time.

**The Hon. DANIEL MOOKHEY:** But that was your predominant form of exposure through your membership of the FIC, is that correct?

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**Mr REGAN:** At the time, the way Transport was structured, the Parramatta Light Rail project would have been part of a division that is known as our Infrastructure and Services division. We have a different structure now and the Finance and Investment division is responsible for budgets. It also had some role in the acquisition of properties.

**The Hon. DANIEL MOOKHEY:** When did Mr Thomas take over the Parramatta Light Rail project? That is a question to you or Mr Thomas.

**Mr REGAN:** Mr Thomas may well wish to come forward. I think—he may well correct me—he took over the Parramatta Light Rail in 2018.

**Mr THOMAS:** Mid-2019.

**Mr REGAN:** Mid-2019.

**The Hon. DANIEL MOOKHEY:** Thank you. You are currently responsible for the project, are you not, Mr Thomas?

**Mr THOMAS:** That is right.

**The Hon. DANIEL MOOKHEY:** Mr Regan, I would like to ask you about the acquisition of 4-6 Grand Avenue, Camellia, for the Parramatta Light Rail project stages one and two. Did Transport for NSW follow all of its policies and procedures when purchasing the land from Billbergia?

**Mr REGAN:** As you would be aware, the property you are referring to was purchased in 2016.

**The Hon. DANIEL MOOKHEY:** Indeed.

**Mr REGAN:** My understanding is that Transport did follow its procedures that were in place at the time, yes.

**The Hon. DANIEL MOOKHEY:** So you are satisfied that all policies and procedures were followed?

**Mr REGAN:** I think, if I may, it was pointed out earlier today that the process around the acquisition of that property is being examined by the Auditor-General at the moment and I understand it was referred to the Independent Commission Against Corruption. So I am not going to be speculating on the areas that are being potentially looked at by those two parties.

**The Hon. DANIEL MOOKHEY:** Sure, okay. I have just tabled a document and provided it to you, which is a chronology that Transport for NSW produced, which in turn was produced to the upper House in response to a call for papers—just so you have some background as to what the document is. Can we confirm that Transport for NSW identified 4-6 Grand Avenue as a potential stabling site as early as mid-2014?

**Mr REGAN:** This document that you have tabled—just to try to understand the context—looks like an extract from a document.

**The Hon. DANIEL MOOKHEY:** No, it is a document. I can give you the exact context: It was produced after *The Guardian* put in a freedom of information request to your department as part of an issue note that was then provided, I believe, to either the secretary or Minister's office documenting the entirety of the transaction as understood by Transport for NSW at the time. The document was produced at the start of 2019. I will ask my original question: Transport for NSW identify 4-6 Grand Avenue as a potential stabling yard in mid-2014—correct?

**Mr REGAN:** I will have to take that on notice.

**The Hon. DANIEL MOOKHEY:** Sure.

**Mr REGAN:** Sorry, I have not seen—I am not aware of the specifics in this document. What I can tell you is that the potential for stabling options for the potential Parramatta Light Rail project was considered and the time frames—I think you mentioned 2014 or 2015, I am not sure of the exact time. I would have to come back to you on that.

**The Hon. DANIEL MOOKHEY:** You can just read the chronology, if you want to follow on.

**Mr REGAN:** I would just like to understand and check myself with the documentation.

**The Hon. DANIEL MOOKHEY:** I am sure you do.

**Mr REGAN:** But I would note that what I can tell you is that there was a process of looking at a range of route options for the Parramatta Light Rail. I think there were four or five routes, there was consultation on that

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and at the same time there was consideration of a range of potential options for stabling sites and maintenance facilities for the project.

**The Hon. DANIEL MOOKHEY:** Yes, we will get to that.

**Mr REGAN:** That would have been around about that time. In doing so, therefore, I guess in looking at sites, one of the common features of each of the routes that were under investigation was that they all went to the Parramatta CBD. The particular site, 4-6 Grand Avenue, Camellia, I am aware was identified as a site that under each of those route options had very significant benefits as a potential stabling site for that project.

**The Hon. DANIEL MOOKHEY:** Thank you. At the time—in the first half of 2015—4-6 Grand Avenue, Camellia, was owned by AkzoNobel, a chemicals manufacturer. In 2015 they offered it for sale on the open market. Is that correct?

**Mr REGAN:** I am not aware of the precise nature of that.

**The Hon. DANIEL MOOKHEY:** Can you take that on notice?

**Mr REGAN:** I will take that on notice.

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

**Mr REGAN:** But to be clear, I was not the owner of the property; neither was Transport. So I am not aware of exactly the time frames then.

**The Hon. DANIEL MOOKHEY:** I am asking you, to be fair, in your capacity as Secretary for Transport for NSW, not in your personal capacity. If you could take that on notice and find out, that will be really helpful. The Transport for NSW Finance and Investment Committee authorised a bid for the land worth \$35 million in the expression of interest [EOI] process being run by AkzoNobel. Is that correct? You were the secretary then. Do you remember that?

**Mr REGAN:** I am aware that Transport for NSW was interested in acquiring that property and made a bid as part of the sale process for that property at around about that time. That is right.

**The Hon. DANIEL MOOKHEY:** Yes, and you lost the land after Akzo sold to Billbergia. Is that correct?

**Mr REGAN:** I understand Transport for NSW's bid was not the highest bid and it was purchased by another party, which we now know to have been Billbergia.

**The Hon. DANIEL MOOKHEY:** And you bought it from Billbergia in 2016 after direct negotiation with them—correct?

**Mr REGAN:** Transport for NSW subsequently acquired the property in a separate transaction in 2016.

**The Hon. DANIEL MOOKHEY:** That was achieved via direct negotiation with Billbergia.

**Mr REGAN:** Yes, that is correct.

**The Hon. DANIEL MOOKHEY:** Thank you. Just to establish, the site is riddled with tetrachloride, chloroform and hexavalent chromium, isn't it?

**Mr REGAN:** Mr Thomas will be able to speak to you about the precise nature of the chemicals, but the site does have contamination. That was known prior to it being purchased. Mr Thomas will be able to speak further about that.

**The Hon. DANIEL MOOKHEY:** I just want to know whether or not those three chemicals—tetrachloride, chloroform and hexavalent chromium—were present on the site. Is that correct?

**Mr THOMAS:** I can confirm the hexavalent chromium. I am not sure about the others.

**The Hon. DANIEL MOOKHEY:** Okay. Do you mind taking that on notice?

**Mr THOMAS:** Sure.

**The Hon. DANIEL MOOKHEY:** Mr Secretary, when did Transport for NSW first learn that the land was heavily polluted?

**Mr REGAN:** I think most of the land in the Camellia area is known to be heavily polluted and has been known to be heavily polluted for some time.

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**The Hon. DANIEL MOOKHEY:** But you knew it as soon as AkzoNobel offered the land for sale, didn't you?

**Mr REGAN:** I think, as I said, the land in Camellia, which has been a very heavy industrial area over many years, is known, very well-known, to be quite polluted.

**The Hon. DANIEL MOOKHEY:** When the Finance and Investment Committee authorised a bid to buy the land directly from AkzoNobel, it explicitly said that that transaction could only go forward if AkzoNobel agreed to clean it up—correct?

**Mr REGAN:** I cannot recall.

**The Hon. DANIEL MOOKHEY:** Do you mind taking that on notice and checking?

**Mr REGAN:** I will take that on notice.

**The Hon. DANIEL MOOKHEY:** Thereafter, prior to you engaging in any negotiations with Billbergia, you paid Parsons Brinckerhoff, an engineering firm, to assess the site and they also warned you that the site was contaminated and that would affect the ability for it to host a stabling yard—correct?

**Mr REGAN:** I will take that on notice.

**The Hon. DANIEL MOOKHEY:** Can you explain why you did not initiate compulsory acquisition from AkzoNobel?

**Mr REGAN:** If I could explain, our preference in acquiring property for major infrastructure projects is to do so by negotiation wherever possible. That is hopefully the most effective and efficient way, and we seek to agree with the owners of property appropriate terms where we can and—

**The Hon. DANIEL MOOKHEY:** Can you pick up that document—

**Mr REGAN:** If I may finish? Where we need to acquire a property by a particular time line, we need to meet a commitment or where we are unclear whether those negotiations will be successful, we often commence in parallel a process around compulsory acquisition. That is often as a fallback position in case we are unable to conclude the negotiations or in case the party selling to us thinks that they have an opportunity to continually seek a higher price because it is the Government. So in order to ensure that we get value for money we often run that dual process. In this case we were still at the time in the process where the time frames around the Parramatta Light Rail process were not absolutely clear, the final investment decisions for the full project were still to be finalised.

In some cases where we know that a project is a government priority we will acquire a strategic property in advance and in this particular case, as you may be aware, at the time the land values in the Camellia area were rapidly increasing—and I mean rapidly increasing. There was very, very significant development activity with property speculation and developers buying a very significant number of properties in that area and the prices in that area were going up at a very rapid rate. So, therefore, in that circumstance it is very difficult to have understood in advance whether or not we would be successful in those negotiations. We participated in the process that the original owner was running, we did not have visibility of what other parties were bidding and we were not successful in that process.

**The Hon. DANIEL MOOKHEY:** That is helpful and we will get through that detail, rest assured, Mr Regan, but if you turn to the document that I just gave you, the chronology, it says on the entry on the first page, "20 April 2015 suitability of 6 Grand Avenue assessed by Parsons Brinckerhoff. Notes site contamination that may affect operation of the site, flags need for further investigation." Did Transport for NSW launch any further investigation as recommended by Parsons Brinckerhoff?

**Mr REGAN:** I took your question on the Parsons Brinckerhoff on notice.

**The Hon. DANIEL MOOKHEY:** Yes, and I am asking you that specifically. Did you launch any—

**Mr REGAN:** I took the question about Parsons Brinckerhoff on notice.

**The Hon. SCOTT FARLOW:** Point of order—

**The Hon. DANIEL MOOKHEY:** Mr Secretary, did you launch any investigation after you got this report?

**Mr REGAN:** I took the question on the Parsons Brinckerhoff report on notice. I do not have any further information available on that at the moment.



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**The Hon. DANIEL MOOKHEY:** Mr Secretary, at any point prior to buying the land from Billbergia did Transport for NSW get a formal costing on how much it would cost taxpayers to clean up?

**Mr REGAN:** I am sorry, when are you referring to?

**The Hon. DANIEL MOOKHEY:** The period between December 2015 and your purchase of the site in the middle of 2016. In that period of time did Transport for NSW ever get an estimate as to how much it would cost to clean up the contaminated land?

**Mr REGAN:** I am not aware of an estimate. I would note we did not own the site and in order to establish the level of works required requires extensive due diligence on that site. I am not aware. I am not saying what work was done—I do not have that in front of me—and I am happy to take on notice to the extent that any estimate of cost of remediation was proposed or prepared. However, I would note that when you do not have access to the site it is particularly difficult to have done that work.

**The Hon. DANIEL MOOKHEY:** Sure, but given that in the original bid Transport for NSW insisted that AkzoNobel clean it up and then thereafter you are told that the site is contaminated and you are asked to investigate it further, you are saying that your department did not ever check how much it would cost to clean up the contaminated land.

**Mr REGAN:** No, actually—

**The Hon. DANIEL MOOKHEY:** Did I misunderstand?

**Mr REGAN:** Yes, you did, because actually what I said was we knew that the area was contaminated—most of the sites in that area are contaminated. So when we were originally trying to buy the site of course we started from a position that we would love to have bought it on the basis it was not contaminated. However, the site was contaminated. It was also still the right site for the purpose of being a long-term stabling and maintenance facility for the Parramatta Light Rail network.

**The Hon. DANIEL MOOKHEY:** Is the reason why you failed to acquire it from AkzoNobel because your bid was conditional on AkzoNobel paying for the clean-up?

**Mr REGAN:** I was not the seller nor was Transport for NSW. My understanding is we did not bid the highest price.

**The CHAIR:** Questions from Mr Banasiak.

**The Hon. MARK BANASIAK:** I am going to go back to you, Mr Hutchings, still on the boat ramp subject, and I appreciate you will probably have to take some of this on notice. When we received feedback from the successful councils, pretty much all of them said that they have not spoken to Maritime since round one. So my question to you is what level of oversight and checking does Maritime do after they have issued these successful grants? Is there a progress check? How do you make sure that councils are on track to deliver these projects?

**Mr HUTCHINGS:** I will take that on notice. There would be so many councils that you have mentioned there in different rates of communication with our group, so if we could take it on notice we will get you a detailed report.

**The Hon. MARK BANASIAK:** Sure. I do note that you stated—and I think the Minister also stated this—that quite often you have to go out to councils because they are not forthcoming in applying for these grants. Can you explain to us why out of the 69 allocations from round three only seven went to councils west of the Great Divide and whether there was a conscious effort to go out to those councils west of the Great Divide prior to round three?

**Mr HUTCHINGS:** I will have to get you that on notice, if you do not mind. But what I can say is that we have very much focused and refined our process and as the Maritime Infrastructure Delivery Office [MIDO] starts building some fantastic boat ramps around, in particular the metropolitan area, we are hoping in this round that because we have marketed what we have done—we have done some fantastic work—that we will not have to do that into the future.

**The Hon. MARK BANASIAK:** Speaking of MIDO, why is it that the Maritime website does not go into great detail as to the specific successful projects in terms of their details? All I could find on these projects was sort of one-word descriptions like it is an upgrade or it is a new facility. One would think if you were trying to market and promote these projects as successful you would provide full details or some substantial detail as to what these projects are.

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**Mr HUTCHINGS:** I think our marketing strategy is more about building relationships with the local councils and stakeholders. Certainly, moving forward this year, we are going to have directors for those regional areas that will be responsible to work on infrastructure with local communities as part of a restructure that we are doing and a refocus on making sure that we can do exactly what you have said.

**The Hon. MARK BANASIAK:** One last question, specifically about a regional project for Lake Mulwala. There was a successful application for a pump-out facility for larger vessels. Currently there are no larger vessels that require pump-out capabilities on that lake. Did the council responsible put forward an argument that there may be some commercial enterprises that would want to engage or they would need those facilities? I appreciate you would have to take that on notice.

**Mr HUTCHINGS:** I actually fish on Lake Mulwala a couple of times a year. There are a couple of bigger vessels that would need that. The bulk of the vessels are smaller, trailable recreational boats but there are a couple of bigger ones.

**The Hon. MARK BANASIAK:** Maybe on notice could you come back and tell us whether there was a demonstration that there might be an increased need for that facility because there might be an increased number—

**Mr HUTCHINGS:** I can certainly take it on notice to find out the circumstances leading up to why that was approved.

**The Hon. MARK BANASIAK:** Sure, thank you. Mr Holliday, would you like to come forward? I just wonder whether you would be able to update the Committee on the status of the cruise ship terminal and where we are at. I know during COVID there was a delay of decision. Have we progressed that any further? Is Yarra Bay still the prime site or are we looking elsewhere?

**Mr HOLLIDAY:** As you recall, we were underway with a detailed business case which we talked about previously. During April of last year the Port Authority reached the conclusion that it would be difficult to proceed with that business case given the circumstances at the time. We were due to go back to the community for further consultation around that time and we were also due to go back to the cruise lines to get further information from them. We decided that that would be very difficult at that stage and so the Minister announced in April of last year that the detailed business case would be put on hold for a period of up to 18 months. Since April no further work has been undertaken so we are just completely on hold at the moment.

**Mr DAVID SHOEBRIDGE:** So it is put on hold, but surely it has been terminated now? Or is it just going to come back at some unspecified time?

**Mr HOLLIDAY:** The detailed business case is on hold for a period of up to 18 months. That was announced in April of last year.

**Mr DAVID SHOEBRIDGE:** So it could come back in the first half of 2022 without any prior notice to the residents. Is that right?

**Mr HOLLIDAY:** When it comes back, the next stage is indeed—the reason it was put on hold is because the next stage is community consultation and consultation with the cruise industry so, as soon as it comes back online—if indeed it does—then the community of course will become aware because we will start consulting with them.

**Mr DAVID SHOEBRIDGE:** But the entire global industry has collapsed. You are not seriously saying to the people of Yarra Bay that that is still a proposal to go ahead and to spend hundreds of millions of dollars of public money to provide a facility for a collapsed global industry, are you?

**Mr HOLLIDAY:** The global industry is on hold, as is the detailed business case. At this point in time there is a Federal ban on cruises. Once that Federal ban is lifted, the industry starts to recover and it is an appropriate time to re-engage, we will do so. We estimate that that will be—we took the decision in April that that would be within a period of around 18 months, so at some point in the future we will indeed recommence.

**The Hon. MARK BANASIAK:** Mr Wing, the Minister mentioned the Sue Baker-Finch report. Have you seen it?

**Mr WING:** Yes, it was released yesterday.

**The Hon. MARK BANASIAK:** To the public? Or just to your department?

**Mr WING:** I believe it was released publicly.

**The CHAIR:** The Minister said it was not.

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**Mr WING:** In that case, that is my misunderstanding. I must have just seen a copy, yes.

**The Hon. MARK BANASIAK:** So you have no understanding as to when it—well, obviously, you thought it was released publically. My other question is that the Minister hinted at potential legislation change that may be needed to restructure the industry. Has he consulted with you on that legislation change and are you able to provide any details of that consultation?

**Mr WING:** Not specifically. I know the report may require some legislation change. Whether to do that or not will be a decision for the Government and then for the Parliament. We will apply the legislation as stands today and obviously with this change we will apply it as amended.

**The Hon. MARK BANASIAK:** But he has not specifically sought your consultation as to what you think would be positive legislation and amendments.

**Mr WING:** I think if it comes down to the question of what would be the amendment and how would the amendments be drafted if there were amendments, then we would have those discussions.

**The CHAIR:** Just in relation to that hardship fund—and I know that we discussed this during the point to point inquiry as well—were you involved in setting the conditions for that fund?

**Mr WING:** The hardship fund is administered by Transport for NSW. I was involved some time back with the first round in particular in an earlier job, so I was involved with that first round, which was that \$20,000 per licence after two licences, which was tranche one, under which I think \$90-something million was distributed. Is that the fund you are asking about?

**The CHAIR:** That is the buyback. No, I am talking about the other \$142 million, of which only \$42 million got dispersed.

**Mr WING:** By that time I was at the Department of Premier and Cabinet.

**The CHAIR:** I note that you have a note on your desk.

**Mr WING:** Oh, yes. It says that, actually, yes, the Sue Baker-Finch report has been released publically and it is currently on the Transport website.

**The CHAIR:** There we go. When was that released?

**Mr REGAN:** Yesterday.

**The CHAIR:** Thank you very much. Back to this hardship fund, were you in the Department of Premier and Cabinet during the whole time that the fund was operational?

**Mr WING:** During the time decisions were being made about how to distribute money—applications being received and decisions being made.

**The CHAIR:** When were you first aware that only a small percentage of those applications were receiving or resulting in money being dispersed?

**Mr WING:** I returned to Transport when I was appointed to this position on 1 July 2019. So that fund was at that point complete.

**The CHAIR:** Have you suggested at any time how that hundred million dollars should be used? Have you had discussions with the transport Minister about that?

**Mr WING:** I have not. He had asked Sue Baker-Finch to give him an independent report on whether additional monies needed to be distributed.

**The CHAIR:** Understood. Thank you.

**Mr DAVID SHOEBRIDGE:** I have some questions of Ms Holden. When you had the meeting with the RTBU and the other two unions on Monday, did the RTBU tell you about their consultation with their members regarding the proposal?

**Ms HOLDEN:** They did mention that they had been consulting with members.

**Mr DAVID SHOEBRIDGE:** What did they tell you?

**Ms HOLDEN:** They did say that it did not have support.

**Mr DAVID SHOEBRIDGE:** Well, I think it would be fair to say they said more than that. Did they not tell you that they had consulted with the membership and a significant proportion of them did not support it?

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**Ms HOLDEN:** Yes.

**Mr DAVID SHOEBRIDGE:** Do you remember what the number was?

**Ms HOLDEN:** It was in the nineties.

**Mr DAVID SHOEBRIDGE:** They told you that 94 per cent of their membership rejected the proposal that you were putting forward about the six-month extension and the 0.3 per cent pay change. Is that right?

**Ms HOLDEN:** It is. That is correct.

**Mr DAVID SHOEBRIDGE:** That is a pretty powerful rejection of your proposal, is it not, from the membership of the RTBU, when 94 per cent have rejected it already?

**Ms HOLDEN:** I understand. That was certainly their position.

**Mr DAVID SHOEBRIDGE:** So given you have such broad rejection of the proposal, if it does not get agreement through a ballot, what are you going to do? You have got to be planning that? You got told on Monday that 94 per cent of people at Sydney Trains rejected it. What are you going to do?

**Ms HOLDEN:** We were told by the RTBU that 94 per cent of the members that they had spoken to rejected it. That is one union that represents some of our employees. We cannot take that to be the equivalent of 94 per cent of all of our people. It is really important that we go out and ballot all of our people through this process to find out their view.

**Mr DAVID SHOEBRIDGE:** When you sat down and proposed the 0.3 per cent pay rise, did you look at inflation forecasts?

**Ms HOLDEN:** This is the agreement that the New South Wales Government has approved at this stage. We are mandated to offer 0.3 per cent.

**Mr DAVID SHOEBRIDGE:** You did not look at inflation forecasts—say, the Reserve Bank of Australia's [RBA] inflation forecasts—when you did that?

**Ms HOLDEN:** We have got a lot of information and data on what this looks like and what this means.

**Mr DAVID SHOEBRIDGE:** Do you accept that based upon the RBA's forecast and every other credible inflation forecast for New South Wales, which are putting inflation estimates in a range between 1.2 per cent and 1.4 per cent for this calendar year—first of all, do you accept that that is the range of inflation forecasts?

**Ms HOLDEN:** Yes.

**Mr DAVID SHOEBRIDGE:** Do you accept that a 0.3 per cent pay rise would actually be a pay cut in real terms? Just so there is no ambiguity—it is a nominal increase, but do you accept that in real terms and in terms of purchasing power that that is a pay cut?

**Ms HOLDEN:** You could argue that, yes.

**Mr DAVID SHOEBRIDGE:** Could you argue anything else?

**Ms HOLDEN:** No.

**Mr DAVID SHOEBRIDGE:** I think you agreed to take on notice what the difference would be between the average take-home pay under the enterprise agreement and the modern award if the enterprise agreement were terminated. I think you agreed to take that on notice. Is that right?

**Ms HOLDEN:** I did, yes.

**Mr DAVID SHOEBRIDGE:** When are you intending the ballot to commence?

**Ms HOLDEN:** We do not have a firm date on that at this stage. We did talk to the union about a possible scenario but we have not confirmed that. We obviously want to have an opportunity to talk to all of our people first so that they understand it. What we are trying to say to our people is unusual and they might take some time to understand it. I think we have all agreed it is not complex but it is unusual, so we want to make sure we have some time to communicate with all of our people. We then have a seven-day window where they see all of the papers written and a seven-day ballot process.

**Mr DAVID SHOEBRIDGE:** It is true that the three unions said to you as recently as Monday that they reject this proposal and asked you to come back and bargain on a whole new enterprise agreement, is it not? That was the position of the unions on Monday, was it not?

**Ms HOLDEN:** They have asked us to write to them with our thoughts on that, which we are doing.

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**Mr DAVID SHOEBRIDGE:** Alright. If you are going to proceed down that path, have you been advised of any statutory deadline that you have for the ballot?

**Ms HOLDEN:** No.

**Mr DAVID SHOEBRIDGE:** Thanks, Ms Holden.

**The CHAIR:** Thank you, Mr Shoebridge. We are going back to the Opposition.

**Mr DAVID SHOEBRIDGE:** I just had one question of Mr Regan before I go. Is that possible? Is it still crossbench time?

**The CHAIR:** No, not anymore.

**Mr DAVID SHOEBRIDGE:** Then I will hand over to the Opposition.

**The CHAIR:** Thank you.

**The Hon. DANIEL MOOKHEY:** How much time do we have?

**The CHAIR:** You have about eight minutes.

**The Hon. DANIEL MOOKHEY:** Mr Regan, do you have with you the documents that we tabled with the Minister this morning?

**Mr REGAN:** Sorry, which documents are you referring to?

**The Hon. DANIEL MOOKHEY:** The three documents we tabled this morning with the Minister.

**Mr REGAN:** I do not know which documents.

**The Hon. DANIEL MOOKHEY:** I will just give them to you again, if that is possible.

**Mr REGAN:** Sorry, I am not sure which ones you are referring to. A number of documents were tabled this morning.

**The Hon. DANIEL MOOKHEY:** Do you see document B, which is the recommendation to acquire the Camellia site by compulsory acquisition?

**Mr REGAN:** No, I am sorry. These seem to be different documents.

**The Hon. DANIEL MOOKHEY:** Okay. I will ask you the question and I will give you this document, which is a tender document. This is a Parramatta Light Rail compulsory acquisition of land at Camellia document.

**Mr REGAN:** Sorry, which document are you referring to? These are different documents to what were tabled this morning.

**The Hon. DANIEL MOOKHEY:** That document there.

**Mr REGAN:** Are these not tabled? Do I hand these back?

**The Hon. DANIEL MOOKHEY:** Yes, hand them back. That would be helpful.

**Mr REGAN:** Because they are different documents.

**The Hon. DANIEL MOOKHEY:** Do you see that document there? Can you turn to the page that contains your signature? It is the third page.

**Mr REGAN:** Yes.

**The Hon. DANIEL MOOKHEY:** So you personally recommended that the site be compulsorily acquired, correct?

**Mr REGAN:** No.

**The Hon. DANIEL MOOKHEY:** You signed that, did you not?

**Mr REGAN:** Yes.

**The Hon. DANIEL MOOKHEY:** And it said, "Approval from the Deputy Secretary, Finance and Investment for the recommendations stated above."

**Mr REGAN:** Yes.

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**The Hon. DANIEL MOOKHEY:** You did that after two of your officials asked that you provide that approval, correct?

**Mr REGAN:** A couple of comments: Firstly, this is not the complete document nor the final document as I recall.

**The Hon. DANIEL MOOKHEY:** Yes, that is okay. Keep going.

**Mr REGAN:** This is not the complete or the final document, so I do not know what document this is.

**The Hon. DANIEL MOOKHEY:** Sure, okay. That is fine. If you do not understand the document's status—

**Mr REGAN:** No, but to be clear, this is not a final document.

**The Hon. DANIEL MOOKHEY:** Okay. It is the first three pages of an eight-page document, but it is the most relevant for the purpose of this questioning. But fair enough, that is your submission.

**Mr REGAN:** No, but I am just wondering what this document is because this is not a document that has necessarily come from our records. It is not a final document.

**The Hon. DANIEL MOOKHEY:** Okay, fine.

**Mr REGAN:** I do not know what this document is. I will not be commenting on it because it is not the complete and final document.

**The Hon. DANIEL MOOKHEY:** Do not worry about that document. Can you go to this document that I just gave you, the other one with yellow highlighting? Do you see that?

**Mr REGAN:** Yes.

**The Hon. DANIEL MOOKHEY:** You commissioned Colliers to value the land.

**Mr REGAN:** Did I?

**The Hon. DANIEL MOOKHEY:** Your department did. There is no need to be churlish.

**Mr REGAN:** I am sorry. I am just not understanding what I am being asked here because the documents you just provided me were not the same as the documents this morning, and nor were they complete. I am very happy to try to answer the questions but I would like to understand what it is that you are asking me to respond to.

**The Hon. DANIEL MOOKHEY:** Sure. This is an extract from the Colliers valuation, which the department commissioned one month after it purchased the site. The page that I have specifically given you shows you precisely how much taxpayers would have paid had we pursued the compulsory acquisition pathway. It states that the market value at the time was \$25 million. So despite you reciting a false history earlier about what was going on in the Camellia property market, this report makes clear that your department paid more than double to buy this toxic land. Why?

**Mr REGAN:** I am sorry, I do not see that it does.

**The Hon. DANIEL MOOKHEY:** Fair enough.

**Mr REGAN:** This document that you have provided me appears to be an extract from another document. I am happy to take it on notice, but in my understanding of what you have provided me it does not at all indicate what you just said.

**The Hon. DANIEL MOOKHEY:** Turn over the page. Do you see the key assumptions and important comments? There is a highlighted section that says:

Notwithstanding this, we are unaware of the complete history of the site and we strongly recommend the full suite of due diligence. We have not been provided with the cost to rectify any potential contamination and for the purposes of our assessments and in accordance with our instructions, we have disregarded the effect of any existing site contamination.

Why did your department tell your valuers to ignore the fact that the land was contaminated when you retrospectively got it valued?

**Mr REGAN:** I am sorry, I will take that on notice. I am not aware of the details of this document or what extract you have provided it from. I am happy to take on notice and respond to your broader question, but I do not think you can take this out of context in the way that you are doing.

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**The Hon. JOHN GRAHAM:** Okay, Mr Regan. I will just ask about the Cawdor matter. I want to ask one final question on the public reports that might have led to this developer putting in their own map that was very accurate. There were a series of general maps beforehand, but it was not until we got to the March 2018 actual route that there was a very specific map or this developer's map seems very specific. The Premier's office made a number of suggestions about public reports that might be out there. I have been through each of them: the 2015 "Purple Haze", it was referred to, Infrastructure Australia report and the Future Transport 2056 draft. They are all more general than the specific routes later—I think Mr Raimond and I have agreed on that—but from a Transport department point of view, can you point to any public document or report that is as specific as the March 2018 route or the specific map that this developer published?

**Mr REGAN:** Thank you for that question. I did take on notice before that we would come back with a list and the details of the maps and publications that Transport put out. I will do that.

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

**Mr REGAN:** I will comment—

**The Hon. JOHN GRAHAM:** Are any of them as specific?

**Mr REGAN:** What I was going to say is that in my experience it is not uncommon for owners of land to draw lines on maps and to wish that there were railway stations, roads or other things on their land.

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

**Mr REGAN:** That map is not a Transport map. I do not know who has drawn that map. You are saying it is specific but it is just a line on a map. It does not indicate anything specific to me about the actual alignment of a road. But it is not a Transport map, so I will not speculate.

**The Hon. JOHN GRAHAM:** Yes, I understand.

**Mr REGAN:** All I know is that we often see people drawing lines on maps.

**The Hon. JOHN GRAHAM:** Yes, but you cannot point us to any Transport map that is as specific before that map got drawn by the developer.

**Mr REGAN:** I took on notice that I would come back with those, but I am not aware.

**The Hon. JOHN GRAHAM:** I ask you to take on notice two issues. One is that despite the Minister's commitment, stevedores continue to put up charges on freight operators: a 56 per cent increase by Hutchinson recently and Patrick is apparently charging a \$50 reversing fee for A-doubles. This issue was supposed to be fixed. The charges were supposed to stop going up. This is a major hammer blow to productivity. Can you take on notice what is going on with these charges and the Minister's commitment to fix this issue?

**Mr REGAN:** I will take that on notice to the extent that we can give you any information that we are responsible for.

**The Hon. JOHN GRAHAM:** Secondly, in relation to the call by the City of Canada Bay Council to transfer ownership of the Roads and Maritime Services slipway site at Mortlake so the community can access that site, could you take on notice where this is up to—what is possible on notice?

**Mr REGAN:** I will take that on notice. That is fine.

**The Hon. MARK LATHAM:** Mr Raimond, could I ask when you received the request from Clare Gardiner-Barnes on 16 July 2018 to fact check this business about Daryl Maguire and the information he had? Can you recall the words she used and did she at that time indicate that someone had raised the concern with her?

**Mr RAIMOND:** Clearly she had a concern. I cannot speculate as to what the source of that concern was, whether it was the articles that have been in the paper or some other source.

**The Hon. MARK LATHAM:** So she did not say, "Someone had said to me that such and such"—that someone higher in the system had raised a concern with her?

**Mr RAIMOND:** Not that I recall.

**The Hon. MARK LATHAM:** Mr Raimond, two days ago your email appeared in *The Sydney Morning Herald* and you were called to this Committee. When did you first learn of the publicity about your email of 16 July 2018?

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**Mr RAIMOND:** I certainly knew that it had been captured in a call for papers. Obviously I found out on the morning that it was in the paper that it had been released publicly.

**The Hon. MARK LATHAM:** When did you find out that it was captured in the call for papers?

**Mr RAIMOND:** As part of a call for papers I have to do a search—we all do searches—so I knew that it was part of those set of papers that were tabled.

**The Hon. MARK LATHAM:** And at any time since then or in the last 48 hours, have you done anything to refresh your memory as to what the email was about, given the confusion today as to which article it came from and what were the origins?

**Mr RAIMOND:** Only to refresh my memory as to what I found in terms of the facts that I was asked to seek.

**The Hon. MARK LATHAM:** Did you speak to Clare Gardiner-Barnes?

**Mr RAIMOND:** No, I did not.

**The Hon. MARK LATHAM:** You said that you did refresh your memory as to the fact that you found out. Why then could you not tell us of the right media article? The earlier one was not accurate earlier on. If you did not refresh your memory, how could you have provided that misinformation earlier?

**The Hon. SCOTT FARLOW:** Point of order: I think it is unfair to characterise Mr Raimond's previous statement as "misinformation".

**The Hon. MARK LATHAM:** I withdraw that. How could you provide us with something that was not 100 per cent accurate?

**Mr RAIMOND:** I do not think I have done that. I have tried to answer your questions to the best of my ability—that the record that I took, that meeting note that I took, I took some action based on that to find out who knew what and when about the Outer Sydney Orbital route. I found those things out.

**The Hon. MARK LATHAM:** Mr Raimond, earlier on in your conclusion about how Daryl Maguire got that info, you indicated that it was all out in the public arena. But the information you had in the middle of 2018 is not the only material that would have been out in the public arena—material that you already knew about in relation to the Outer Sydney Orbital corridor.

**Mr RAIMOND:** Sorry, I am not understanding the question you are asking.

**The Hon. MARK LATHAM:** Your appointment in the middle of 2018 was to be very closely involved in the siting and I assume the tunnel decision for the Outer Sydney Orbital. What is the public information that you did not know about that Maguire did know about?

**Mr RAIMOND:** Again I am really not sure what question you are asking me.

**The Hon. MARK LATHAM:** What could Maguire possibly have known in the public arena that you did not already know about? You had no need to research any of it—you knew it already.

**Mr RAIMOND:** Again I am not really sure what you are trying to ask.

**The Hon. DANIEL MOOKHEY:** Secretary, if you are in a position to respond now it would be helpful, but if not you can take these on notice. On 21 November 2019 Transport for NSW completed what was called a Commercial Land Acquisition Internal Audit Report—correct?

**Mr REGAN:** Could you give me a bit more information?

**The Hon. DANIEL MOOKHEY:** Commercial Land Acquisition Internal Audit Report, internal audit reference IAO2-20, completed on 19 November 2019 by Alex Wendler, the Acting Deputy Secretary of Infrastructure and Place, and issued by Brooke McGuiggan, the Assistant Director of Audit and Risk—correct?

**Mr REGAN:** I can look into that.

**The Hon. DANIEL MOOKHEY:** It made a series of recommendations around improving your purchase processes—correct?

**Mr REGAN:** I said I would look into it, yes.

**The Hon. DANIEL MOOKHEY:** One of the recommendations that was contained in this audit report was to, "Define a policy and control framework and document and approve any deviations, and implement an independent review of acquisition processes to ensure quality and compliance." It said that the due date for all of



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that was 31 October 2020 as part of the evolving Transport program and co-design process for IP branches. Was the due date met insofar as those two recommendations were made?

**Mr REGAN:** I will take that on notice. I will look into that for you.

**The Hon. DANIEL MOOKHEY:** If you can take that on notice, can you also take on notice what precisely have you done to implement the recommendations of the internal audit report?

**Mr REGAN:** Of that particular report?

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

**Mr REGAN:** Yes.

**The Hon. DANIEL MOOKHEY:** Can you also provide us on notice with the current acquisitions policy and control framework for commercial acquisitions?

**Mr REGAN:** I will look to do that.

**The Hon. DANIEL MOOKHEY:** On notice, can you tell us how many commercial acquisitions have taken place in each of the calendar years for the last three years?

**Mr REGAN:** It is a very significant number.

**The Hon. DANIEL MOOKHEY:** It is actually 99, I believe. That is what your report says.

**Mr REGAN:** I think that is a subset of the overall acquisitions that Transport has undertaken, but I will confirm that. I will take that on notice.

**The Hon. DANIEL MOOKHEY:** To be fair, it says that between September 2014 and July 2019 you acquired 83 commercial properties. If you do not mind identifying those 83 properties on notice, that would be great.

**Mr REGAN:** I will see what I can provide. I think you asked for the number.

**The Hon. DANIEL MOOKHEY:** I will turn to another matter. We were asking this morning about the employment of Mr Brad Burden. Do you recall that, Mr Regan?

**Mr REGAN:** You did ask a question on that, yes.

**The Hon. DANIEL MOOKHEY:** Are you in a position to update us about the external review of Transport for NSW's processes and procedures for the engagement of professional service contractors that was announced last year on 13 February?

**Mr REGAN:** Yes. Just to be clear, Mr Burden—and this was discussed at length in the previous estimates committee—was not engaged as an employee; he was engaged under a term contract, a professional services contract. It ended in March 2020. He left when his contract ended. There was no severance pay. There was a review undertaken by the Public Service Commission at the time, with recommendations made to the secretary. There was no finding of any wrongdoing in that. We then subsequently have undertaken a broader review, which was something we were looking to do anyway, on professional service contractors. We have gone through that process and we continue to look to refine our processes.

**The Hon. DANIEL MOOKHEY:** When you say, "We undertook a broader review"—

**Mr REGAN:** Transport was already looking at its procurement of labour hire for professional service contractors and a further review was undertaken after the Public Service Commission looked at that particular matter.

**The Hon. DANIEL MOOKHEY:** Was that review prepared by an external firm or agency?

**Mr REGAN:** I think there was some external involvement, but I will take that on notice.

**The Hon. DANIEL MOOKHEY:** Can you identify when that review was completed?

**Mr REGAN:** I will take that on notice.

**The Hon. DANIEL MOOKHEY:** And you said that the review was provided to the secretary. Was it provided to the Minister as well?

**Mr REGAN:** I will take that on notice. Also, I did advise you earlier that I would try and find for you the letter from the Minister around post-bushfire road safety. I have this to table for you. I also have to table with it the response from Transport to Minister Constance and Minister Toole in response to that letter.

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**The Hon. DANIEL MOOKHEY:** I do really appreciate you turning that around so fast.

**Mr REGAN:** Chair, if I may—Windsor Bridge. The current estimated cost of the Windsor Bridge project is \$129 million out of an announced project cost of \$137 million. To the end of January the expenditure has been \$116 million and the cost of demolishing the previous bridge is \$1.952 million.

**The CHAIR:** Could I also just ask you to clarify, when you spoke with my colleague earlier you took a question on notice and you said that you needed to get information from the head of the Transport for NSW environment division.

**Mr REGAN:** I think I said that we did not have someone here from our environment team. The environment division sits under the Deputy Secretary of Safety, Environment and Regulation, which is Tara McCarthy.

**The CHAIR:** Sorry, could you say that again?

**Mr REGAN:** So there is a deputy secretary, Tara McCarthy, who looks after the Safety, Environment and Regulation division.

**The CHAIR:** Thank you so much for your attendance today and for your efforts to go away and bring back information in particular. That is really helpful for us. The Committee secretariat will be in touch in the near future regarding the questions that you have taken on notice and also any supplementary questions. That is it for today. Thank you very much.

**(The witnesses withdrew.)**

**The Committee proceeded to deliberate.**