

BUDGET ESTIMATES QUESTION ON NOTICE LEGISLATIVE COUNCIL

QUESTION: OSCARs – INDEPENDENT AUDITS

Notice Given: 6 November 2006

Asked by: The Hon Charlie Lynn MLC

Question:

THE HON CHARLIE LYNN: Has RailCorp commissioned any independent audits of the design and construction of the OSCARs?

MR GRAHAM: I am sorry, I do not understand the question.

THE HON CHARLIE LYNN: Were any checks conducted during the design phase of the project and, if so, who conducted the checks?

MR GRAHAM: Obviously the checks associated with these trains, both the OSCAR and the Hunter, prior to the trains coming into service are the extensive testing that I have already quantified for you and the fact that we need to satisfy the Independent Transport Safety and Reliability Regulator that these trains are fit to enter service. We also require as part of our internal processes the necessary engineering sign-offs from the competent engineers in the rolling stock area prior to these trains being allowed to enter service.

THE HON CHARLIE LYNN: Do you have independent audits conducted?

MR GRAHAM: I am not aware of any independent audits conducted. These trains have been designed by United Goninan. Our engineers have worked closely with them. In terms of independent audits, I will take your question on notice.

Answer:

I am advised:

In the preliminary project stages, various issues were identified which required independent audits. These were commissioned for the following reasons:

- the required expertise was not available within RailCorp; or
- the issue was considered of critical importance and required independent verification; or
- the contractor's proposals or designs required auditing.

John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police

BUDGET ESTIMATES QUESTION ON NOTICE LEGISLATIVE COUNCIL

QUESTION: **REVENUE ON THE CASINO MURWILLUMBAH LINE**

Notice Given: **6 November 2006**

Asked by: **The Hon Jenny Gardiner MLC**

Question:

CHAIR: I refer to the Casino to Murwillumbah line. Does RailCorp receive any income from the land corridor? For example, are any moneys collected from Country Energy or Telstra for equipment running along the line?

MR GRAHAM: I am not aware of any corridor revenue. We do receive some revenue from a number of leases. For example, a hotel occupies part of the Byron Bay station that is our property and we receive a lease income. I am not aware of any other corridor revenue, but I am happy to take that question on notice.

CHAIR: Please provide on notice: how much revenue, if any, has been received; the nature of that revenue; what has been received over the past five financial years; whether any income has been received from any private companies-for example, the hotel-for leases or equipment and infrastructure lying on the land; and whether RailCorp receives any moneys from Country Energy or Telstra for equipment running on RailCorp land along that railway line.

MR GRAHAM: I am happy to take those questions on notice. However, given the extensive list, I suggest that I divide the answer into two parts to fit with the timetable you requested at the opening of the meeting. I will identify, first, the sources of any income to provide a view of the source of revenue on that line. However, I will not be able to meet the deadline in terms of the level of detail of how much has been received over the past five years. That will take a bit of investigation.

Answer:

I am advised:

That in the short time available for the provision of a response, the Rail Infrastructure Corporation has not been able to provide financial information on rental revenues for the five years requested because this period includes the restructure of State Rail and the lease of the country rail network to the Australian Rail Track Corporation and would therefore require significant consultation with other agencies.

Telstra is permitted to cross or occupy the rail corridor free of charge under the Federal Telecommunications Act.

Agreements with other utility providers such as Country Energy are at no, or nominal rentals.

There are no leases of infrastructure or equipment on the ground.

John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police

BUDGET ESTIMATES QUESTION ON NOTICE LEGISLATIVE COUNCIL

QUESTION: TOWN HALL STATION CAPACITY

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

CHAIR: Mr Glasson, are you able to give the Committee information about the capacity of Town Hall railway station and whether any studies have been conducted as to its capacity, for example, whether it is over capacity or is predicted to be over capacity in the near future?

MR GLASSON: I think that is a matter for Mr Graham. Can we take that on notice?

CHAIR: Yes.

Answer:

I am advised:

RailCorp has completed initial work to expand the concourse area of Town Hall Station and is currently expanding the number of turnstiles at the Queen Victoria Building station exit.

RailCorp is also currently finalising a broader investigation into the capacity of Town Hall Station.

**John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police**

BUDGET ESTIMATES QUESTION ON NOTICE LEGISLATIVE COUNCIL

QUESTION: **1 RAILCORP LAND – LAVENDER BAY**

Notice Given: **6 November 2006**

Asked by: **The Hon Jenny Gardiner MLC**

Question:

1. In relation to land owned by State Rail in Lavender Bay:
 - i. Can you confirm that the small parcel of land now identified as Lot 1247 in Deposited Plan 48514 (the Luna Park site Development Plan) is now under the control of the Luna Park Reserve Trust and that permanent structures may not be erected on it?
 - ii. Can you advise what conditions apply to functions that may be held on Lot 1247 or to rides being placed on it?
 - iii. Why is Lot 1247 being levelled?

Answer:

I am advised:

1 i-iii. This land has not been owned by a rail agency since 1997.

**John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police**

BUDGET ESTIMATES QUESTION ON NOTICE LEGISLATIVE COUNCIL

QUESTION: 2 RAILCORP EMBEZZLEMENT

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

- 2 What is the status of the investigations into the embezzlement of monies from RailCorp by Renee Hughes, a former employee in the Ecommerce section of RailCorp?
 - i Exactly how much money was embezzled?
 - ii Has there been any police investigation into the matter?
 - iii How many cases of embezzlement are currently being investigated by RailCorp or referred to Police?
 - iv What is the total amount embezzled from RailCorp for each of the last five financial years?
 - v In regards to your answer to question b(iv), how many cases of embezzlement has this involved for each of the last five financial years?

Answer:

I am advised:

- 2-i This matter is subject to an investigation by the Independent Commission Against Corruption (ICAC).
- ii NSW Police has been notified.
- iii-v I cannot comment on a matter subject to investigation by ICAC. No other instances of embezzlement have been identified.

John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police

QUESTION ON NOTICE**BUDGET ESTIMATES****QUESTION:** Budget Estimates**Notice Given:** 6 November 2006**Asked by:** The Hon Jenny Gardiner MLC**Question:**

Ms Gardiner to Deputy Premier, Minister for Transport and Minister for Police:

3. How many delays to rail passenger services were the result of mechanical faults with freight trains in the 2005/06 financial year?
4. How many delays to rail passenger services were the result of mechanical faults with freight trains in the 2004/05 financial year?

Answer:

I am advised:

Below are delays to peak services 2004-05 and 2005-06:

Incident	2004-05	2005-06
Mechanical failures	36 incidents delaying 430 trains	12 incidents delaying 42 trains

The Hon John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police

QUESTION ON NOTICE**BUDGET ESTIMATES**

QUESTION: Budget Estimates

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

Ms Gardiner to Deputy Premier, Minister for Transport and Minister for Police:

5. Is compensation paid for delays to passenger services as a result of mechanical faults with freight trains to the Minister or any of the departments, agencies, or entities he is responsible for?
- i) If so, how much has been paid since the beginning of the 2006/07 financial year?
 - ii) How much was paid in the 2005/06 financial year?
 - iii) How much was paid in the 2004/05 financial year?
 - iv) If no compensation is paid, why not?

Answer:

I am advised:

5. i-iii) RailCorp does not seek compensation for delays caused by freight operators.
- iv) Legislatively, RailCorp does not have the power to impose fines on rail operators for operational reliability. Any compensation arrangement would have to be 'equitable' and have an element of reciprocity. Compensation of this type would need to be included within the Access Contracts that RailCorp has with freight operators, and cover consequential losses.

A report by the Independent Transport Safety and Reliability Regulator (ITSRR) supported RailCorp's current method of dealing with delays caused by rail freight operators.

Further information regarding the ITSRR report can be found on their website at www.transportregulator.nsw.gov.au.

The Hon John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police

BUDGET ESTIMATES QUESTION ON NOTICE LEGISLATIVE COUNCIL

QUESTION: 6 CITYRAIL FAREBOX REVENUE

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

6. What was the CityRail farebox revenue for each month from September 2004 to October 2005 inclusive?
- i. What was CityRail farebox revenue for each month from September 2005 to October 2006 inclusive?

Answer:

I am advised:

Information on CityRail farebox revenue is reported as required in the RailCorp Annual Report.

**John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police**

QUESTION ON NOTICE**BUDGET ESTIMATES**

QUESTION: Budget Estimates Question on Notice 7

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

Ms Gardiner to Deputy Premier, Minister for Transport and Minister for Police:

7. Considering reports on 18 September 2006 in the Daily Telegraph regarding the closing of 90 stations in the month of September due to staffing shortages, why are you unable to recruit the necessary staff to ensure stations remain open and commuters are able to access the network?
- i) How many station staff are currently employed?
 - ii) How many are needed to keep all the stations open?
 - iii) How many positions are at present unfilled?
 - iv) How can you be sure the safety of passengers is not at risk in the event of a terrorist attack if you don't have the correct amount of station staff?
 - v) What are you doing to ensure enough staff are employed to keep the network running?

Answer:

I am advised:

7. All safety and security related positions are filled. Contrary to reports, train stations remain open to the public and people can still catch the trains.

Where CityRail stations are not staffed during their normal business hours:

- tickets continue to be available from ticket vending machines,
- station passenger information is provided from central sources, and
- trains continue to stop and start as per the normal timetable.

RailCorp is currently conducting a recruitment campaign that will result in more than one hundred station staff recruited by the end of the year. Thirty-nine new recruits have already been deployed on the network with another twenty-one scheduled to complete their training on 23 November 2006.

The Hon John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police

BUDGET ESTIMATES QUESTION ON NOTICE LEGISLATIVE COUNCIL

QUESTION: 8-9 AIRPORT RAIL LINK

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

8. What is the latest on the sale of the Airport Rail link?
9. Has a contract been signed?
 - i. If so, who with?
 - ii. For how much?
 - iii. For how long?

Answer:

I am advised:

8-9 Westpac has been selected as the preferred bidder by the receivers and managers and vendors of the Airport Link Company Pty Ltd.

Westpac and the vendors are currently progressing matters relating to the agreement.

**John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police**

QUESTION ON NOTICE**BUDGET ESTIMATES**

QUESTION: Budget Estimates QoN – 10

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

Ms Gardiner to Deputy Premier, Minister for Transport and Minister for Police:

10. How many cases does RailCorp currently have before the Administrative Decisions Tribunal?
- i) How many cases are currently before the Anti-Discrimination Board?
 - ii) Is it standard RailCorp policy to send those employees who stand accused of harassment and discrimination home on full pay, while alleged victims have their workers compensation pension halved, as was reported in the Daily Telegraph on the 22nd of June this year?
 - iii) What steps are taken when RailCorp receives a complaint about discrimination from other staff?
 - iv) How many of employees are currently on stress leave (or equivalent) and have cases before the Anti-discrimination Board or Administrative Decisions Tribunal?
 - v) How many employees who have made complaints about co-workers or management have been sacked?
 - vi) How many employees who have made complaints about co-workers or management have been stood down from their normal duties or transferred to another section of RailCorp?

Answer:

I am advised:

10. (i) – (vi) As there are a number of matters before the Administrative Decisions Tribunal, it would be inappropriate to detail these matters at this time.

**The Hon John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police**

QUESTION ON NOTICE**BUDGET ESTIMATES**

QUESTION: Budget Estimates QoN – 11

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

Ms Gardiner to Deputy Premier, Minister for Transport and Minister for Police:

11. How much money does RailCorp spend mounting surveillance operations to gather information on employees?
- i) How many investigations of this nature were carried out in the financial year ending June 2006?
 - ii) How many surveillance operations are currently underway?
 - iii) Were any staff sacked over the roting of overtime payments at Wollongong and Thirroul rail depots in 2005?
 - iv) How much money was spent on the surveillance operation mounted at Wollongong and Thirroul rail depots in 2005?
 - v) Were any contractors employed to conduct any of these investigations?
 - vi) Was surveillance equipment used, including video/audio recording devices?

Answer:

I am advised:

- 11 (i) – (vi) It would be inappropriate to make public information that may jeopardise workers compensation and disciplinary investigations.

**The Hon John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police**

BUDGET ESTIMATES QUESTION ON NOTICE LEGISLATIVE COUNCIL

QUESTION: 12 PATRONAGE STATISTICS

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

12. What are the patronage figures for October 2006?

i. What are the patronage figures for September 2006?

Answer:

I am advised:

CityRail patronage statistics are reported on the CityRail website, www.cityrail.info, on a monthly basis.

**John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police**

QUESTION ON NOTICE**BUDGET ESTIMATES**

QUESTION: Budget Estimates Question on Notice 13

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

Ms Gardiner to Deputy Premier, Minister for Transport and Minister for Police:

13. When staff are present at the ticket windows is it possible for commuters to purchase concession tickets at ticket vending machines without producing proof of concession?
- i) Is it the responsibility of RailCorp staff to ask for proof of concession when a concession ticket is being purchased?
 - ii) Given the Auditor General found an estimated 5.6 million passengers use trains without a valid ticket, which costs taxpayers \$11.9 million, is it RailCorp policy to allow people to purchase concession tickets at vending machines without producing proof that they are in fact entitled to a concession?
 - iii) Of the number of fines issued by transit officers in the 2005/06 financial year, how many of these were for incorrect concession tickets?

Answer:

I am advised:

- 13 (i) – (iii) When a customer purchases a concession ticket from a vending machine, it displays a message that advises the purchaser that a concession ticket requires a valid concession card or a \$200 fine applies.

RailCorp has in place initiatives to monitor that passengers travelling on a concession ticket have in their possession a valid concession card. These include the targeted deployment of transit officers who inspect tickets/valid concession cards across the network.

The Hon John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police

QUESTION ON NOTICE**BUDGET ESTIMATES**

QUESTION: Budget Estimates QON – 14

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

Ms Gardiner to Deputy Premier, Minister for Transport and Minister for Police:

14. Do transit officers and train guards they [stet] have the power to apprehend someone if that person is breaking the law?
- i) Why was train guard Garry Miller assigned to different duties and reprimanded for apprehending a passenger who had attacked him on 14 September 2005?
 - ii) Why did the RailCorp “What’s New” magazine report on 20 December 2005 p6 that two staff members were commended and received movie passes after assisting a Lake Macquarie Police Officer and apprehending an offender in February 2005?
 - iii) Why are some Train Guards and Transit officers instructed not to intervene in the event of a crime being committed and reprimanded when they do, and other employees commended for intervening?

Answer:

I am advised:

14. As authorised officers under the Rail Safety Act 2002 transit officers have the power to give directions, check tickets, concession authorities and passes, issue penalty notices, obtain a passenger’s correct name and address, request proof of identity and remove offenders.
- i) The decision to remove Mr Miller from his normal responsibilities as a train guard was not related to the incident on 14 September 2005.
 - ii) The RailCorp “What’s News” newsletter is used to communicate information to staff including positive customer feedback and other information about staff achievements.

The action of the two station staff that came to the assistance of a Lake Macquarie police officer was acknowledged as a brave act that prevented the police officer sustaining more serious injuries. Importantly, their action did not put themselves or any member of the public at undue risk.

Their actions were supported by RailCorp and resulted in certificates of appreciation from Lake Macquarie Police.

- iii) To protect employees and customers from the risk of injury or harm, employees are required to adhere to the RailCorp Code of Conduct at all times, including when assessing whether or not to intervene in violent / criminal acts.

RailCorp decides how and when to take action when a criminal act occurs based on the circumstances of each individual incident.

John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police

BUDGET ESTIMATES QUESTION ON NOTICE LEGISLATIVE COUNCIL

QUESTION: 15 CLEARWAYS PROJECTS

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

15. Why has the cost of the Clearway projects blown out by \$482million?
- i. Are commuters getting anything extra from this 48% increase in cost?
 - ii. What is the cost of each of the 15 Clearways projects and when will each be complete?

Answer:

I am advised:

15-i There has been an increase in the overall Clearways program budget as a result of enhanced projects scope and the inclusion within the budget of allowances for inflation and the cost of interest on borrowings. It should be noted that the construction industry is currently running at inflation rates of more than 6% due to inflationary pressures driven by fuel costs, the price of steel and the skills shortage.

ii

PROJECT	COST	ESTIMATED COMPLETION DATE
Macdonaldtown Turnback	\$17 million	September 2004
Bondi Junction Turnback	\$77 million	April 2006
Berowra Platform	\$9 million	August 2006
Macdonaldtown Stabling	\$42 million	2007
Revesby Turnback	\$99 million	2008
Homebush Turnback	\$41 million	2008
Lidcombe Turnback	\$54 million	2008

Hornsby Platform 5 and Stabling	\$107 million	2008
Cronulla Line Duplication	\$231 million	2008
Liverpool Turnback	\$93 million	2010
Kingsgrove to Revesby Quadruplication	\$450 million	2010
Quakers Hill to Schofields Duplication	\$116 million	2010
Macarthur Station Platform 4	\$32 million	2009
Carlingford Line Passing Loop	\$38 million	2010
Sydenham to Erskineville	Not Available	Not Available

John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police

BUDGET ESTIMATES QUESTION ON NOTICE LEGISLATIVE COUNCIL

QUESTION: 16 EPPING – CHATSWOOD RAIL LINK

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

16. Why has there been a \$900million blow out in the Epping to Chatswood Rail Link?

- i. How did the Minister calculate the \$250 million blow-out of the Epping to Chatswood Rail Link announced on 11 August 2006?
- ii. Was this information based on a report?
- iii. Does the Minister know exactly how much the Epping to Chatswood rail link will end up costing taxpayers?
- iv. What is the total interest to be paid on borrowings?
- v. What is the total interest paid to date?
- vi. Was the \$250 million blow out and the interest on the borrowings for that blow out for the Epping to Chatswood Rail Link included in the \$700 million budget deficit?

Answer:

I am advised:

16 There has not been a blow out in the cost of the Epping to Chatswood Rail Line (ECRL).

When budgeting for infrastructure projects, the Government makes an estimate of what the likely costs will be, building in prudent contingencies.

The ultimate cost will not be known until the Government goes to the market and the projects have been delivered.

The ECRL is a project worth more than \$2 billion and when the original costs were estimated they were based on an inflation rate of 3%. It should be noted that the construction industry is currently running at more than 6% due to inflationary pressures driven by fuel costs, the price of steel and the skills shortage.

Also, Transport Infrastructure Development Corporation (the Corporation), which is responsible for the delivery of the ECRL, has expanded the project scope to include the installation of floating concrete slab along certain parts of the line seeking to minimise impacts to local residents.

I can advise that the current project budgets consider the above factors and escalation.

- i-ii Project costs have been reviewed to take into account an escalated inflation rate and additional works that were being included as part of the project.
- iii The exact cost will be known on completion.
- iv The estimated total interest costs to be paid on borrowings until completion of the project is \$203 million.
- v Total interest incurred to 30 June 2006 was \$69.1 million.
- vi The borrowings for the ECRL are undertaken by the Corporation.

John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police

BUDGET ESTIMATES QUESTION ON NOTICE LEGISLATIVE COUNCIL

QUESTION: 21-22 FARE INCREASES

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

21 Will the Minister guarantee that he will not increase fares for commuters above CPI next year?

22 Will the Minister guarantee that he will not increase costs for commuters when the Tcard system eventually becomes operational?

Answer:

I am advised:

The Independent Pricing and Regulatory Tribunal is responsible for determining fare levels for CityRail and Sydney Ferries services, as well as all bus services operating under new service contracts put in place as part of the Government's successful bus reform program.

**John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police**

QUESTION ON NOTICE**BUDGET ESTIMATES**

QUESTION: Budget Estimates QON – 23

Notice Given: 6 November 2006

Asked by: The Hon Jenny Gardiner MLC

Question:

Ms Gardiner to Deputy Premier, Minister for Transport and Minister for Police:

23. How many people have been caught trespassing on RailCorp land since the beginning of the 2006/07 financial year?
- i) How many of these were caught damaging RailCorp property?
 - ii) How many of these have been prosecuted?

Answer:

I am advised:

23. i-ii) RailCorp transit officers have issued 287 penalty notices for rail 'trespass' offences since the start of the 2006/07 financial year.

RailCorp transit officers have issued 78 penalty notices for persons damaging rail property since the start of the 2006/07 financial year.

These figures do not include enforcement action taken by police.

In cases where a transit officer arrests a person for a trespass offence (as opposed to issuing a penalty notice) the person is handed into the custody of the police who decide what, if any, enforcement action will occur.

John Watkins MP
Deputy Premier
Minister for Transport
Minister for Police