



The Hon. Duncan Gay MLC
Minister for Roads and Freight
Leader of the Government
Leader of the Nationals
Legislative Council

15 September 2014

Budget Estimates
Room 812, Legislative Council
Parliament House
Macquarie Street
Sydney NSW 2000

By email: budget.estimateds@parliament.nsw.gov.au

Dear Sir/Madam

Please find **attached**:

- answers to Questions on Notice taken during the hearing
- answers to Supplementary Questions from the Committee, and
- an amended transcript.

If you have any questions in relation to this matter, please contact John Macgowan of this Office on 02 8574 5517.

Sincerely,

Duncan Gay MLC

**LEGISLATIVE COUNCIL
BUDGET ESTIMATES QUESTION**

QUESTION: Transcript

Notice given: 26 August 2014

Asked by: The Hon. WALT SECORD MLC

Due Parliament: 15 September 2014

Question:

The Hon. WALT SECORD: What are your projections or what have you budgeted for voluntary redundancies for 2014-15?

Mr DUNCAN: I would have to take that on notice but it is substantially less. The majority of the reform work is now completed.

Mr HESFORD: In terms of budgeting, we do not actually budget for redundancies. They are budgeted at the Transport level. So within the financial information and the budget papers that have been presented there is no allowance for voluntary redundancies because we draw that money down from Treasury if and when people are made redundant. We do not actually budget at an agency level.

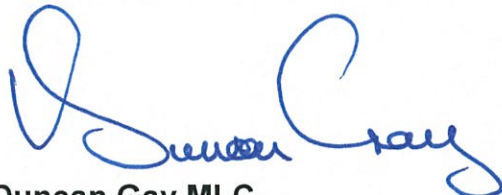
The Hon. WALT SECORD: But you must have projections and plans. You are a large agency. You must have a projection or an estimation.

Mr DUNCAN: The majority of our redundancies have occurred in the reform in the past 12 months. What we will have in the year going ahead? we have a number of staff who have been assigned to Service NSW. They have been assigned to that agency so if there are future redundancies it will be through that process.

Answer:

I am advised:

Roads and Maritime Services does not budget for redundancies. Redundancies are budgeted by Treasury.



Duncan Gay MLC
Leader of the Government in the Legislative Council
Minister for Roads and Freight

**LEGISLATIVE COUNCIL
BUDGET ESTIMATES QUESTION**

QUESTION: Transcript

Notice given: 26 August 2014

Asked by: Dr Mehreen Faruqi MLC

Due Parliament: 15 September 2014

Question:

Dr MEHREEN FARUQI: Talking about the EIS, one of the figures, section 6.6 in the traffic and transport report of the M4 widening EIS shows that the project will lead to fewer heavy commercial vehicles using the M4 once it is widened and tolled. Why is this?

The Hon. DUNCAN GAY: In the early part, that will be the case, although my understanding is that there will be up to 3,000 trucks taken out of the community. The M4, widened, is much more attractive for heavy vehicles and I think you may be confused, because the document actually indicates that there will be more cars moving in there, rather than heavy vehicles. And the cars will move in there because there is a toll going on there and people, during the times of least traffic on Parramatta Road, particularly at night, will make a choice probably not to pay the toll on the M4 and to take their chances and use Parramatta Road.

So there will be an increase in traffic. Incidentally, it is interesting to note that the figures that we have used, the traffic numbers, rather than being traffic numbers of the previous Government that were quite farcical, we have been conservative in our traffic numbers. In fact, if you look at our traffic numbers in comparison to the actual numbers that were there in real time on the old M4 when it was tolled, we have actually come in at a level below that. I actually think it will be more than that.

Dr MEHREEN FARUQI: Can I interrupt for one second?

The Hon. DUNCAN GAY: I am sorry.

Dr MEHREEN FARUQI: You said I was confused, but I am not confused. It states clearly in the EIS that about 13,922 heavy commercial vehicles will move away from the M4 on to other roads.

The Hon. DUNCAN GAY: What page?

Dr MEHREEN FARUQI: It is page 175.

The Hon. DUNCAN GAY: Can I take that on notice?

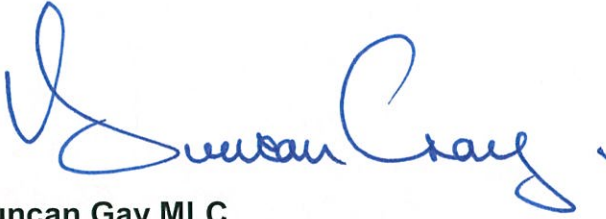
Dr MEHREEN FARUQI: I want to know where will those trucks go? Where will the heavy commercial vehicles go?

The Hon. DUNCAN GAY: That is not my understanding, but I will take it on notice and come back with an answer either in response or here today.

Answer:

I am advised:

The forecast difference in Heavy Commercial Vehicles on all routes is described by comparing figures 7-22 and page 7-23.

A handwritten signature in blue ink, appearing to read "Duncan Gay", with a stylized flourish at the end.

Duncan Gay MLC

Leader of the Government in the Legislative Council
Minister for Roads and Freight

**LEGISLATIVE COUNCIL
BUDGET ESTIMATES QUESTION**

QUESTION: Transcript

Notice given: 26 August 2014

Asked by: The Hon. WALT SECORD MLC

Due Parliament: 15 September 2014

Question:

The Hon. WALT SECORD: When was the last public forum or public meeting involving WestConnex that you attended?

The Hon. DUNCAN GAY: The mayoral forum.

The Hon. WALT SECORD: With the community?

The Hon. DUNCAN GAY: Yes.

The Hon. WALT SECORD: No, no, with the community. A public forum sponsored by them. I put it to you that you have never attended a public forum or public meeting for WestConnex?

The Hon. DUNCAN GAY: I have been to a number of forums for WestConnex.

The Hon. WALT SECORD: Can you tell me the dates?

The Hon. DUNCAN GAY: Not off the top of my head. I will take that on notice.

The Hon. WALT SECORD: Your staff can.

The Hon. DUNCAN GAY: I will take that on notice.

The Hon. WALT SECORD: No, no, I can wait.

The Hon. DUNCAN GAY: I have answered the question. I will take it on notice.

The Hon. WALT SECORD: I can wait. Your staff are going to provide you with a note.

The Hon. DUNCAN GAY: We will take it on notice.

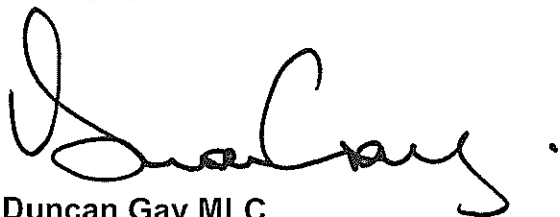
The Hon. WALT SECORD: The note is coming up.

CHAIR: Order! The Minister has said that he will take the question on notice.

Answer:

I am advised:

The last public forum I attended involving WestConnex was at Parramatta RSL, 2 June 2014.



Duncan Gay MLC

Leader of the Government in the Legislative Council
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**LEGISLATIVE COUNCIL
BUDGET ESTIMATES QUESTION**

QUESTION: Transcript

Notice given: 26 August 2014

Asked by: The Hon Mick Veitch MLC

Due Parliament: 15 September 2014

Question:

The Hon. MICK VEITCH: Minister, Main Road 284 [MR294] and Main Road 384 [MR384], or, as I prefer to call it, the Wagga to Tumbarumba road—unlike you I have not quite got my head around those numbers—is burdened by two classifications. It is Main Road 284 in the Greater Hume and Tumbarumba shires and Main Road 384 in the Wagga Wagga local government area—where it is a regional road. There is an issue around the State road, regional road and local road classification. This is the same road. Minister, as you would be aware, this happens in a number of places across the State. What are the plans, firstly, to assist the councils in this case to rectify that status and make it consistent and, secondly, to fix this issue across the State?

The Hon. DUNCAN GAY: I do not have an answer for that but it is a damned good question, I have to say. Part of what we did with the new alpha-numeric system was to bring a common sense approach to roads across the State on it. It seems to be working well. The question I normally get asked in this area from local councils is: Will you make it a regional road and pay for it rather than it being a council road? Can I come back to you on this? Mr Duncan might want to add to this.

Mr DUNCAN: We can take that up in the next statewide review of classifications. I have not been across that example.

The Hon. DUNCAN GAY: It is a good idea.

The Hon. MICK VEITCH: If you want to take it on notice and get back to me, that would be fine.

The Hon. DUNCAN GAY: We are happy to take it on board as a good suggestion.

Answer:

I am advised:

Road classifications are determined, in consultation with local councils, through a Statewide Road Classification Review, led by an expert panel including independent members who assess NSW roads in terms of location and usage.

The last Statewide Road Classification Review was completed in 2009 after six years of detailed consultation and analysis. The review was then implemented over the next three years.

To maintain the equity and transparency of the road classification system for all councils, Roads and Maritime Services conducts reviews only on a statewide basis, not in ad-hoc circumstances.

The particular example referenced in the question can be considered in the next statewide classification review.

A handwritten signature in blue ink, appearing to read 'Duncan Gay', with a small dot to the right.

Duncan Gay MLC
Leader of the Government in the Legislative Council
Minister for Roads and Freight

**LEGISLATIVE COUNCIL
BUDGET ESTIMATES QUESTION**

QUESTION: Transcript

Notice given: 26 August 2014

Asked by: The Hon Walt Secord MLC

Due Parliament: 15 September 2014

Question:

The Hon. WALT SECORD: Minister, I am asking about wet weather variable speed zones. In New South Wales there are two wet weather variable speed zones: I think there is one on the M1 motorway north of Hawkesbury Road to Mount White, which is 100 kilometres an hour during dry weather and 90 kilometres an hour during wet weather; and there is another 6.5 kilometre stretch on the Bells Line of Road near the Darling Causeway, which is 100 kilometres an hour and 80 kilometres an hour during the rain. Has the Centre for Road Safety carried out any studies in this area?

Ms PRENDERGAST: Absolutely. We are obviously exploring rolling out more of the variable-type speed limits with RMS and we are constantly evaluating. The first evaluation we have looked at is the fog one on the F6. The Bells Line of Road was only installed on 5 June so it is a little early, but we are looking at that as a future mechanism both for variables for rain but also even for peak activity times.

The Hon. WALT SECORD: So the preliminary research has been positive?

Ms PRENDERGAST: Absolutely, for the fog warning, yes.

The Hon. WALT SECORD: Do you envisage running out more of them in the next year?

Ms PRENDERGAST: What we are doing is we need to evaluate the variables that are in place now, but we think it is a practical, sensible solution.

The Hon. WALT SECORD: Have you identified any sites where it would be appropriate to consider installing these?

Ms PRENDERGAST: There is some work underway in collaboration with RMS starting to scope potential other locations.

The Hon. WALT SECORD: Could you give on notice the number of locations?

The Hon. DUNCAN GAY: Peter Duncan is happy to add to that.

Mr DUNCAN: Can I just add that there is another level to this, too, and it is the managed motorways concept or smart motorways. In fact, on our motorways network we have variable speed limits as well for, usually, congestion reasons or traffic flow reasons. Areas like that we will definitely be looking at in our future motorways provision.

Answer:

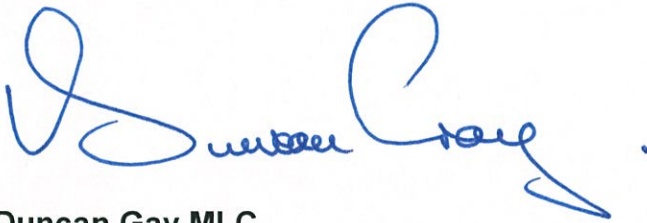
I am advised:

The NSW Speed Zoning Guidelines is the primary tool used to set speed limits on NSW roads. The Guidelines outline circumstances where Variable Speed Limits should be considered, including situations relating to increased risk from changes in weather conditions, such as rain or fog.

As part of the commitment to the ongoing improvement of speed zoning in NSW, the Centre for Road Safety and Roads and Maritime identify routes of higher risk.

Centre for Road Safety is currently analysing wet weather crashes and pavement skid resistance measurements as one methodology for identifying potentially viable Variable Speed Limits routes.

Based on this analysis, Centre for Road Safety will nominate potential roads for wet weather Variable Speed Limits for Roads and Maritime consideration.



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**LEGISLATIVE COUNCIL
BUDGET ESTIMATES QUESTION**

QUESTION: Transcript

Notice given: 26 August 2014

Asked by: The Hon Mick Veitch MLC

Due Parliament: 15 September 2014

Question:

The Hon. WALT SECORD: I take your point, Madam Chair. How does the conservation argument come into play? I do not see that.

Mr DUNCAN: The Conservation Management Plan sets out a process by which we assess various events on the bridge and there are often requests. I would be happy to provide that criteria to show how that assessment occurred.

The Hon. MICK VEITCH: Carrying on with the SARAH program, as you know I have had close attachment to this family as well and, like Niall Blair, I drive past that section of the road a lot. Can you update us on the progress with the transition? I know the northbound breakdown lane has been put in place. What is the status of that and how long will it be before it is finalised?

The Hon. DUNCAN GAY: I could only tell you. The same as you, I drive past it all the time going home and coming back. Could we take that on notice please?

The Hon. MICK VEITCH: Absolutely.

The Hon. DUNCAN GAY: Do you want to add something on the strategy, Ms Prendergast?

Ms PRENDERGAST: Yes. Only that the 1.5-kilometre climbing lane was closed to provide the three metre breakdown lane. Also, all the emergency breakdown lanes, of which there are two, were then upgraded and completed in May 2013. The northern bay was completed in December 2013. We have done a lot in the breakdown safety space to address the issue that happened on the Hume Highway that day. We are quite proud of our work. We have distributed over four million glove box guides in the last year to rego renewals and the Royal Easter Show. Obviously, we have released the "Slow down give us space" video. We are working also on looking at the shoulder lane for incident responders to get their people there quicker. We have had the motorcycle response team out there not only helping clear incidents quicker, but they are actually helping people who have broken down. I have seen that on the Harbour Bridge.

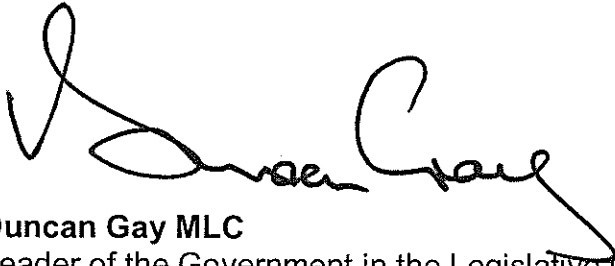
We have also the new rules in place for furious and reckless driving so that if you drive without showing due care past an incident or breakdown, there will be a level applied in your sentencing. So we are working on it on a multitude of fronts. Just this week we had published by Standards Australia a release of the new standard that allows the winch for tow trucks to vary the side because the winch that day was on the right, which is why they were standing there. We actually are proposing a new standard and leading that.

Answer:

I am advised:

In line with the Sydney Harbour Bridge Conservation Management Plan, requests for lighting the bridge cannot be approved unless the event is considered to be of hallmark status and is not for advertising purposes.

Roads and Maritime Services is working with the NSW Government to find alternatives to celebrate or commemorate non-hallmark events.

A handwritten signature in black ink, appearing to read 'Duncan Gay', written in a cursive style.

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Minister for Roads and Freight

**LEGISLATIVE COUNCIL
BUDGET ESTIMATES QUESTION**

QUESTION: Transcript

Notice given: 26 August 2014

Asked by: The Hon Mick Veitch MLC

Due Parliament: 15 September 2014

Question:

The Hon. MICK VEITCH: Minister, are traffic controllers or contractors that RMS may use from

time to time for traffic control and/or management engaged on a contract basis?

The Hon. DUNCAN GAY: I better hand to Mr Duncan for that one.

Mr DUNCAN: Yes. There are various methods, but usually they are part of a major overall head

contract. So they are subcontractors. We deal with them through other processes, associations and things like that.

The Hon. MICK VEITCH: In those subcontracting arrangements is there any clause, requirement or

consideration given to using 417 and 457 visa holders?

Mr DUNCAN: I could get you a response on that. Obviously, I have not got a line of sight on the contract.

The Hon. MICK VEITCH: If you would, please.

Mr DUNCAN: I would be more than happy to do that. There are some fairly strict conditions around

it. The industry associations, such as Austroads but particularly Roads Australia, have been very interested in

this topic in recent times on the safety point.

The Hon. MICK VEITCH: If you would take that on notice and provide a more full response that

would be good.

Mr DUNCAN: What conditions generally are in the contracts?

The Hon. MICK VEITCH: Yes. Returning to my previous question about employing people with

disability within RMS, when was the employment strategy last reviewed or determined whether it is working?

Mr REARDON: I refer to the Disability Action Plan. It was released in December 2012 across the

cluster.

The Hon. MICK VEITCH: It has not been reviewed? Is it ongoing? I guess what I am asking is

whether there is ongoing monitoring.

Mr STEWART: Could I take that on notice? It is something we take very seriously around the whole quality, opportunity and diversity in our employment regime.

The Hon. MICK VEITCH: Yes.

The Hon. DUNCAN GAY: Which includes my office.

Mr STEWART: If you like, I could take it on notice.

The Hon. MICK VEITCH: Yes.

Mr STEWART: I think it is a really key issue, and I am happy to take it on and come back with a more full answer.

The Hon. MICK VEITCH: My concern is that sometimes people in organisations and governments of all persuasions develop these fantastic plans and there is no ongoing monitoring to ensure they are effective in the end result.

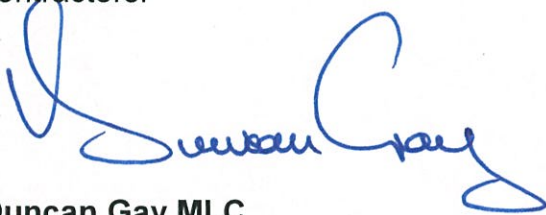
Mr STEWART: Can I just assure you that from an organisational point of view, from a diversity point of view, we discuss it every month at our leadership team. But I will come back and try to give you some fuller details.

The Hon. MICK VEITCH: Thank you.

Answer:

I am advised:

Roads and Maritime Services does not employ contractors directly using 417 and 457 visas. Other workers, such as labour hire, are a matter for any relevant contractors.



Duncan Gay MLC

Leader of the Government in the Legislative Council
Minister for Roads and Freight

**LEGISLATIVE COUNCIL
BUDGET ESTIMATES QUESTION**

QUESTION: Transcript
Notice given: 26 August 2014
Asked by: Dr Mehreen Faruqi MLC
Due Parliament: 15 September 2014

Question:

Dr MEHREEN FARUQI: Do you know what the growth in car demand has been in Sydney for the past five years?

The Hon. DUNCAN GAY: I could not tell you that off the top of my head, but I am more than happy to take that on notice and get it for you.

Dr MEHREEN FARUQI: That would be great, if you could, and also if the figures are comparable with your predicted growth on the WestConnex.

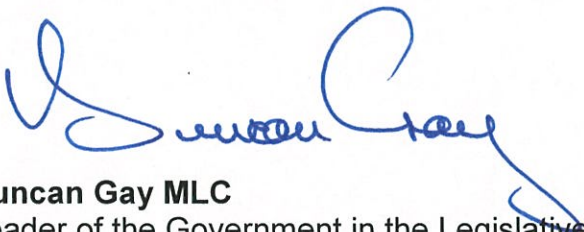
The Hon. DUNCAN GAY: You will find that in most situations the figures we are using are very conservative. The company that did it for us took a jaundiced view on where the numbers might be. We have no argument. We did not need to inflate the figures unnecessarily.

Answer:

I am advised:

Growth in car demand in Sydney, as measured by vehicle-kilometres travelled in the Sydney Statistical Division, was estimated at 11.1% for the period 2001-02 to 2011-12, or 1.1% per annum.

Growth in vehicle-kilometres travelled for all vehicles including trucks in Sydney projected by the WestConnex Road Traffic Model is available in the M4 Widening Environmental Impact Statement.



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**LEGISLATIVE COUNCIL
BUDGET ESTIMATES QUESTION**

QUESTION: Transcript

Notice given: 26 August 2014

Asked by: The Hon Paul Green MLC

Due Parliament: 15 September 2014

Question:

The Hon. PAUL GREEN: I know a lot of flashing lights at schools have been installed but can you indicate whether you have implemented any at Nowra East Public School?

The Hon. DUNCAN GAY: I could not tell you off the top of my head.

The Hon. PAUL GREEN: Can you get back to us?

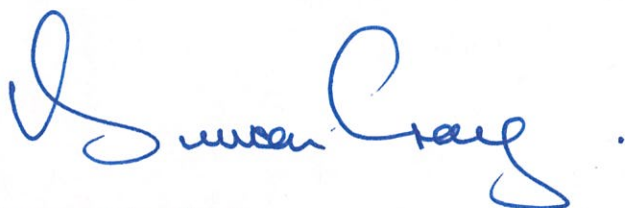
The Hon. DUNCAN GAY: Certainly.

Answer:

I am advised:

Under the current flashing lights program, the Government is installing school zone flashing lights at more than 1,500 schools without flashing lights.

Schools located in Shoalhaven City Council, including Nowra East Public School, will have flashing lights installed between November 2014 and February 2015.

A handwritten signature in blue ink, appearing to read 'Duncan Gay', followed by a period.

Duncan Gay MLC

Leader of the Government in the Legislative Council
Minister for Roads and Freight

**LEGISLATIVE COUNCIL
BUDGET ESTIMATES QUESTION**

QUESTION: Transcript
Notice given: 26 August 2014
Asked by: The Hon. WALT SECORD MLC
Due Parliament: 15 September 2014

Question:

The Hon. WALT SECORD: Minister, when was the last time you visited the port of Yamba?

The Hon. DUNCAN GAY: That is a good question. I think it was in the second two-thirds of last year or earlier this year – within the last six months anyway. I am happy to take that question on notice and come back with a definitive answer. I do remember that on the last visit I made there I visited two establishments: One was a boatbuilding facility in Yamba which does a lot of work for marine rescue and builds a lot of State government boats, and the other one, on the northern side – and I am looking for help from Mr Gilfillan here?

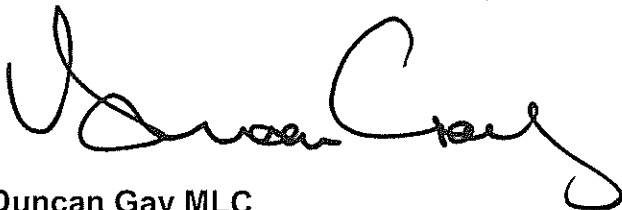
Mr GILFILLAN: Was it Harwood Marine?

The Hon. DUNCAN GAY: Yes, it was Harwood Marine – on the northern side of the Clarence River.

Answer:

I am advised:

I visited the Port of Yamba on 23 April 2013.



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**LEGISLATIVE COUNCIL
BUDGET ESTIMATES QUESTION**

QUESTION: Transcript

Notice given: 26 August 2014

Asked by: The Hon Walt Secord MLC

Due Parliament: 15 September 2014

Question:

The Hon. WALT SECORD: Has the cost of transporting goods increased or decreased since the Government's sale of Port Botany?

The Hon. DUNCAN GAY: I do not know.

The Hon. NIALL BLAIR: Lease.

The Hon. WALT SECORD: Sale.

The Hon. MICK VEITCH: We say "sale". You say "lease".

The Hon. DUNCAN GAY: I do not have a full year to analyse it. I am happy to take that on notice.

The Hon. WALT SECORD: Ms Johnson was getting ready to respond.

Ms JOHNSON: I was just going to comment that the increases that have occurred have been on the public record. I know that there have been some increases, yes.

Answer:

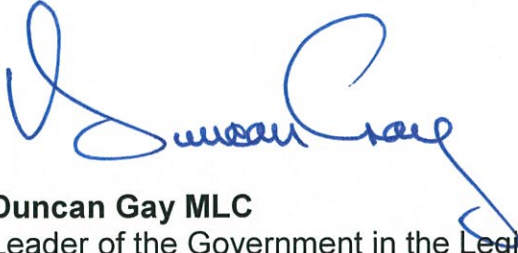
I am advised:

The prices charged by participants in the Port Botany supply chain such as shipping companies, port service providers and land transporters are unregulated and commercially negotiated.

The following port charges have increased since the commencement of the long term lease of Port Botany on 1 June 2013:

- On 1 July 2013, navigation services, pilotage, wharfage and site occupation increased by 2.51 per cent (in line with the consumer price index).
- On 1 January 2014, wharfage charges increased by \$4 per twenty-foot equivalent unit (TEU).
- On 1 July 2014, navigation services and pilotage increased by 9.64 per cent. Wharfage and site occupation increased by 2.65 per cent with the following exceptions:
 - full overseas export container wharfage increased by an amount of \$2.92 per TEU;

- the empty container wharfage rate was applied to a broader range of empty containers including coastal (inwards and outwards); and
- the lay-up rate at bulk liquids berths 1 and 2 was removed and the standard hourly site occupation charge was applied to all vessel visits irrespective of the activity.



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