



**The Hon John Robertson MLC**  
Minister for Transport  
Minister for the Central Coast

**QUESTION: Supplementary Budget Estimates**

**Page number: 5, Supplementary Budget Estimates Transcript**

**Question:**

**CHAIR:** With respect to land acquisition for the project can you advise the committee what the addresses are of the seven properties that the Government has acquired?

**Mr STAPLES:** There are seven premises that have been acquired. Those premises are at 8-12 Castlereagh Street in the city; 170 Victoria Road, Rozelle; 679 Darling Street, Rozelle; 30 Clarence Street in the city; 36-38 Clarence Street in the city; 131-135 Bathurst Street in the city; and 108 Miller Street, Pyrmont.

**CHAIR:** How much did the State Government pay for each of those properties?

**Mr STAPLES:** The total cost for all of the properties was \$102 million.

**CHAIR:** Can you give us a breakdown on the amount by location?

**Mr STAPLES:** I do not have that available.


**CHAIR:** Can you provide that on notice?

**Mr STAPLES:** I will have to review to what extent that has any privileged information around it. But to the extent that we can make it available to the committee we will.

**Answer:**

I am advised that the freehold costs of each property acquired is:

679 Darling Street, Rozelle	\$1,175,000.
170 Victoria Road, Rozelle	\$554,000.
108 Miller Street, Pyrmont	\$11,120,000.
30 Clarence Street, Sydney	\$24,495,000.
36 – 38 Clarence Street, Sydney	\$14,500,000.
8 – 12 Castlereagh Street, Sydney	\$44,500,000.
131-135 Bathurst Street, Sydney	\$5,950,000.

  
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**QUESTION:**                    **Supplementary Budget Estimates**

**Page number:**            **20, Supplementary Budget Estimates Transcript**

**Question:**

**Ms CATE FAEHRMANN:** Has Transport NSW been involved in discussions with the Newcastle Port Corporation about its proposal to develop the old BHP site in Mayfield?

**Mr WIELINGA:** I cannot recall any but I will check whether any of my officers have had those discussions. The port authorities have provided people to assist us with the preparation of the freight strategy and it may have been discussed in those forums.

**Answer:**

I am advised by Transport NSW that discussions at Officer Level between Newcastle Ports Corporation and Transport NSW are ongoing to support the development of the NSW Freight Strategy.

  
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**QUESTION:**           **Supplementary Budget Estimates**

**Page number:**       **19, Supplementary Budget Estimates Transcript**

**Question:**

**CHAIR:** In relation to the western metro, the figure of \$32.6 million has been mentioned. Can you give us a breakdown of that cost into land acquisition, contractor payments, reports and studies, legal fees and compensation?

**Mr WIELINGA:** With your permission, we will take that on notice and provide you with the detail.

**Answer:**

I am advised that the \$32.6 million relates to Commonwealth funds expended on Stage 2 of the Metro. NSW expenditure on the project was approximately \$13 million.

I understand that funds were primarily expended on all the preparatory feasibility, planning and technical work from 2008 to 2010. This included feasibility studies, economic appraisals, environmental assessments, design and engineering and technical studies including geotechnical surveys.

The Environmental Assessment and Reference Design, plus other documents which comprise the output of all Stage 2, are on Transport NSW's website at <http://www.transport.nsw.gov.au/sites/default/file/metrodocs>.

I am further advised that there was no land acquisition costs for Stage 2 prior to the cancellation of the Metro projects. Legal costs in relation to the project were approximately \$2 million. Salaries, oncosts and overhead costs in respect of Stage 2 were approximately \$1.3 million. There was no compensation paid in respect of Stage 2.

  
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**QUESTION:**                    **Supplementary Budget Estimates**

**Page number:**            **9–10, Supplementary Budget Estimates Transcript**

**Question:**

**Ms CATE FAEHRMANN:** How many staff are currently working on the Parramatta to Epping project and whereabouts are they based?

**Mr WIELINGA:** At the moment they are in the infrastructure division of Transport NSW. There are some people at the Transport Construction Authority that have pulled out material that existed in 2000. There are some materials that are in our transport data centre with some modelling work done in 2003. We are establishing the program team at the moment. I also said that we had discussions going with the Federal agencies about the agreement with the Commonwealth department. I have been doing some of that work myself in talking to the secretary of DOTARS and some of the deputy secretaries at DOTARS in finalising that agreement.

**Ms CATE FAEHRMANN:** How many people within Transport Infrastructure are specifically tasked to be working on the Parramatta to Epping rail link now and who are they reporting to? Who has overall responsibility?

**Mr WIELINGA:** Perhaps I should talk a little bit about the delivery of projects to give you an appreciation of where we are at the moment.

**Ms CATE FAEHRMANN:** Sure, and answer my question specifically.

**Mr WIELINGA:** When you are looking to deliver a major infrastructure project it essentially goes through three phases. The first is what we call the feasibility phase, and that feasibility phase is about working up what the proposed scope of the project will be. It is doing preliminary environmental assessments, the desktop studies to get a feel for how it fits in with the operating plan in the future into the RailCorp network. It is about creating a business case for the project. It is about strategic estimating concept, estimating development, preliminary engineering—

**Ms CATE FAEHRMANN:** But you would be passed that stage surely?

**Mr WIELINGA:** Some work has been done in the past but I also mentioned at the last meeting that we had more detail at the northern end, and we were duplicating the middle line, and we wanted to do some more option assessment at the Parramatta end of the project to see how things have moved on with land use and other things subsequently. I said that by the end of the year we expected to be in a place where we had taken a look at that preliminary work. The project is to start in 2011, to be completed in 2017. This is about normal project development work and developing the business case at the moment. When we get through that we will go into doing and updating the detailed EIS. We will do design work, create contract documents and then we will get into the delivery phase. Our intention is to stage deliver the project. I think I covered some of this material last time we spoke.

**Ms CATE FAEHRMANN:** But not in much detail in terms of staff. How many full-time staff are working on the project at the moment? Will you provide that information?

**Mr WIELINGA:** I mentioned that we have many different people working part time. I will come back to you with the detailed number.

**Answer:**

I am advised that the Transport Infrastructure division of Transport NSW has assigned a project manager to the Parramatta to Epping Rail Link project. In addition, three staff members have initially been assigned to work on the scoping phase of the project full time. Another six or more staff are assigned part time, contributing technical skills (planning, engineering, architectural) and business case development skills.



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**QUESTION:** Supplementary Budget Estimates

**Page number:** 27, Supplementary Budget Estimates Transcript

**Question:**

**CHAIR:** In terms of the overall project, can you tell the Committee what team in the agency or agencies is accountable for the delivery of the project?

**Mr LOCK:** Within Transport NSW the Transport Construction Authority is responsible for delivery.

**CHAIR:** Who is the team leader for that?

**Mr LOCK:** I have a team of people, so they report directly to me.

**CHAIR:** How many people are in the team?

**Mr LOCK:** I am happy to get back to you with an exact number, but I would say it is 40 or 50 at the moment.

**Answer:**

I am advised that the Transport Construction Authority is delivering the South West Rail Link on behalf of the NSW Government. There are currently 47 employees at the Transport Construction Authority working on the South West Rail Link delivery team.

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**QUESTION:** Supplementary Budget Estimates

**Page number:** 28, Supplementary Budget Estimates Transcript

**Question:**

**The Hon. MATTHEW MASON-COX:** Do you recall what the assessment was out of 100 for the private sector bids?

**Mr WIELINGA:** No.

**The Hon. MATTHEW MASON-COX:** Could you provide that information to the Committee?

**Mr WIELINGA:** I will see what can be done and endeavour to provide all the information I can. If I cannot, I will provide an explanation with the response.

**Answer:**

I am advised that the assessment of the private sector bids cannot be provided as the information is Cabinet-in-Confidence.



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**QUESTION:** Supplementary Budget Estimates

**Page number:** 16, Supplementary Budget Estimates Transcript

**Question:**

**The Hon. MATTHEW MASON-COX:** Well, it is a matter for you to give us an understanding of what your best expectations are. How much has been spent on legal and court fees to date?

**Ms ZEALAND:** I am not going to comment on the cost of litigation.

**The Hon. MATTHEW MASON-COX:** Why not?

**Ms ZEALAND:** The matter is before the courts at the moment.

**The Hon. MATTHEW MASON-COX:** It is before the courts and it is a matter of public money that is being expended—

**The Hon. PENNY SHARPE:** And it is ongoing.

**The Hon. MATTHEW MASON-COX:** And it has been going on for about 13 years, Ms Zealand. I am asking a simple question. How much has been spent by the department in relation to court fees to date?

**Ms ZEALAND:** As I said, I am really advised not to comment on the litigation.

**The Hon. MATTHEW MASON-COX:** Who has given you advice about whether or not you can release information about how public money is being spent?

**Ms ZEALAND:** As I say, I am not going to prejudice our case by talking about the cost of litigation.

**The Hon. MATTHEW MASON-COX:** The cost of litigation does not prejudice your case. I was a lawyer in another life. I am asking for a factual answer: How much has the department spent on this legal case to date? If you do not have the figure, take it on notice; do not pretend to put up artificial barriers to the Committee's legitimate lines of inquiry. Will you take it on notice?

**Ms ZEALAND:** I will take the question on notice.

**Answer:**

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I am advised that the Public Transport Ticketing Corporation's legal costs including litigation are reported in its annual report.

  
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**QUESTION:**            **Supplementary Budget Estimates**

**Page number:**        **28, Supplementary Budget Estimates Transcript**

**Question:**

**CHAIR:** We are just about to run out of time. I wish to slot in a question on the Casino to Murwillumbah rail line—you may need to take this on notice. I have two matters. First is the bus contract, which ran out last month as I understand it. Has the new contract been awarded and, if so, to whom? What are the terms? What was the contract amount?

**Mr WIELINGA:** We will take that on notice, with your permission, and come back to you with the details.

**Answer:**

I am advised that Sunstate Charters currently has five North Coast rural coach contracts with RailCorp. These contracts expired on 31 October 2010 except for one contract that expired on 30 September, 2010.

I understand that Sunstate Charters has provided RailCorp with satisfactory service and has agreed to a contract extension on a month by month basis under the same terms and conditions of the current contract. The contract for Sunstate Charters has been extended through until April 2011.

I am further advised that RailCorp called for tenders for the provision of CountryLink rural coach services for Northern New South Wales. The closing date for tender submissions was 3 December 2010.

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**QUESTION:** Supplementary Budget Estimates

**Page number:** 28, Supplementary Budget Estimates Transcript

**Question:**

**CHAIR:** If you could also provide the Committee on notice how much has been spent on maintenance of the Casino to Murwillumbah Rail Line—typically on keeping the grass under control, maintenance of the bridges above the line, and any other maintenance items? I would appreciate a maintenance update on that.

**Mr WIELINGA:** We will.

**Answer:**

I am advised that as with other non-operational rail lines, the Casino – Murwillumbah Line is inspected and maintained in accordance with the Country Regional Infrastructure Authority's Engineering Standards.

I am further advised that maintenance works of approximately \$711,000 was delivered for the 2009/10 for the Casino – Murwillumbah line segment.

  
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**QUESTION:**            **Supplementary Budget Estimates**

**Page number:**        **21, Supplementary Budget Estimates Transcript**

**Question:**

**CHAIR:** I refer back to the Epping to Parramatta rail corridor. Can you advise how much has been spent on purchasing properties and land along the rail corridor to date?

**Mr WIELINGA:** We need to take that on notice please.

**ANSWER:**

I am advised that the corridor between Parramatta and Epping is reserved as a result of the Minister for Planning's approval of the Parramatta Rail Link in 2002. Funding for property acquisition has been included in the \$2.6 billion estimate for the Parramatta to Epping Rail Link. No funds have been spent on purchasing properties since the Parramatta to Epping Rail Link project was identified in the Metropolitan Transport Plan in February 2010.



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**QUESTION:**                **Supplementary Budget Estimates**

**Page number:**        **26, Supplementary Budget Estimates Transcript**

**Question:**

**The Hon. MATTHEW MASON-COX:** Can you provide the Committee with the actual figures in that regard and the likely percentage increase in terms of capacity through the city network?

**Mr STAPLES:** We can certainly give you some more specific numbers on that. But broadly speaking we have got three lines and we are putting in a fourth line. You can do the maths on it. It is a pretty simple percentage.

**The Hon. MATTHEW MASON-COX:** If you could provide that, it would be appreciated, Mr Staples.

**Answer:**

I am advised that the Western Express will be designed to bring up to 24 additional trains per hour into the heart of the CBD, which is nearly a 24% increase in CBD capacity.



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**QUESTION:**                **Supplementary Budget Estimates**

**Page number:**        **18-19, Supplementary Budget Estimates Transcript**

**Question:**

**CHAIR:** Given that the decision to announce the Epping to Parramatta rail link was based on a report that was produced in 2003, what action has been taken by Transport NSW to provide the Government with more recent information?

**Mr WIELINGA:** We had some questions relevant to this a little while ago. We are undertaking that development work and the assessment work at the moment. I said last time, and this time, that I expected that around the end of the year.

**CHAIR:** That is right, you did say that. We are nearly at the end of the year, so where is it at?

**Mr WIELINGA:** I am due for a briefing from the project team in the near future.

**CHAIR:** Before Christmas?

**Mr WIELINGA:** Yes, there will be a briefing before Christmas. They are more frequent than that, but yes, before Christmas.

**CHAIR:** Can you give us the latest information you have at your disposal regarding the patronage forecasts for the project, cost estimates, geotechnical investigations and the alignment costs?

**Mr WIELINGA:** There is quite a bit of material there. We will take that on notice and send it to you.

**Answer:**

I am advised that Transport NSW is progressing the Intergovernmental Agreement with the Commonwealth on the Parramatta to Epping Rail Link.

I understand that project planning is underway with the aim of preparing an updated business case. Project planning work includes:

- 
- review of the project scope, in particular with respect to the tunnel alignment and connections to the existing network at Parramatta and Epping;
  - establishment of detailed operational and timetable requirements; and
  - review of patronage estimates.

I am further advised that earlier patronage forecasting for the rail link was completed by the then Transport Data Centre (now Bureau of Transport Statistics) in 2003, with subsequent modelling and review undertaken by Parsons Brinkerhoff. I understand

that as the land use-based patronage assumptions used in 2003 have changed, new patronage forecasting is now being conducted. This is taking into account further development which has occurred in Macquarie Park and the Parramatta CBD. The analysis is also being revised to reflect the Western Express and North West Rail Link projects as announced in the Metropolitan Transport Plan.

Cost estimates for the project are un-changed since the August 2010 Infrastructure Australia submission.



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**QUESTION:** Supplementary Budget Estimates

**Page number:** 24, Supplementary Budget Estimates Transcript

**Question:**

**The Hon. MATTHEW MASON-COX:** What consideration have you given to safety, given that more people than ever will be accessing Wynyard Station, which is already dangerously overcrowded in peak periods?

**Mr STAPLES:** Safety is paramount in the work that we do. I mentioned that before when I was talking about activities that are underway. We go through detailed safety assessments in relation to the operation and there are regulatory requirements around that. We conduct safety assessments also at a precinct level. At this stage the design work at Wynyard Station is still very conceptual. We plan to undertake a number of activities in that area, including planning for a pedestrian link. If the corridor goes down the western side of the Sydney central business district we will include a connection at Wynyard Station. We will do the design and ensure it addresses improved safety.

**The Hon. MATTHEW MASON-COX:** When will work be done to lengthen the platforms?

**Mr STAPLES:** That relates to the time frame I was talking about earlier. It is part of the work activity over the period 2013 to 2018.

**The Hon. MATTHEW MASON-COX:** So it will be finished in about 2018?

**Mr STAPLES:** Yes. At the moment we are looking at the detail of the stations to establish the best time frame within which to undertake individual activities in the corridor. It is complex work to undertake construction within the existing corridor because we have to work around possessions when the track is closed down. The timing will be built around when those possessions are available.


**The Hon. MATTHEW MASON-COX:** Which stations or platforms will be lengthened and at what cost? You might want to take that question on notice.

**Mr STAPLES:** I would not be able to give you a specific breakdown of costs. However, I can come back to you with specific stations. In general I can tell you that Penrith, Blacktown and Seven Hills are three stations where platforms need to be extended by a small amount. I think Parramatta is already long enough. Inner central business district stations are new stations so they do not need to be extended.

**Answer:**

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I am advised that the station platforms which will require extension are Emu Plains, Penrith, Kingswood, Werrington, St Marys, Mount Druitt and Blacktown.

  
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**QUESTION:**           **Supplementary Budget Estimates**

**Page number:**       **3, Supplementary Budget Estimates Transcript**

**Question:**

**SYDNEY METRO COMPENSATION CLAIMS**

**The Hon. MATTHEW MASON-COX:** Are you able to give us specific information on how many you received from property owners, how many you received from small businesses, and how many you have received from other parties?

**Mr STAPLES:** I do not have that breakdown to hand, but I can provide that to the Committee.

**The Hon. MATTHEW MASON-COX:** Just on notice will be fine.

**Mr STAPLES:** I will be able to take that on notice.

**Answer:**

I am advised that of the 80 claims received to 6 December 2010, 16 are from property owners. I understand that definitions of what constitutes a small business are not exact, but Sydney Metro considers approximately 40 of the 80 claims to be small businesses. The remainder are from medium-sized businesses to large corporations.

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**QUESTION:**            **Supplementary Budget Estimates**

**Page number:**        **6, Supplementary Budget Estimates Transcript**

**Question:**

**SYDNEY METRO PROPERTY LEGAL FEES**

**CHAIR:** What was the total cost of acquiring the buildings, including legal fees?

**Mr STAPLES:** I do not have a separate legal fees breakdown. As I said, the total cost of the buildings was \$102 million.

**CHAIR:** On notice could you provide a breakdown for legal fees?

**Mr STAPLES:** It is incorporated in a broader legal fee, so it will be difficult for me to give you the specific costs associated with individual legal fees. We could give you the legal transaction fees, but it would not be the total legal costs. We can give you that component.

**CHAIR:** Because that would be across the portfolio you mean?

**Mr STAPLES:** It is across the organisation as a whole in terms of the legal services that have been provided. There was a lot of activity in terms of contract preparation and so forth around the tenders as well and they were incorporated in a single contract.

**CHAIR:** But you can provide us with some information—

**Mr STAPLES:** We can provide you with some information around the sort of processing of legal fees associated with the property transaction.

**CHAIR:** We would appreciate that.

**Answer:**

I am advised that Sydney Metro's legal fees for the acquisition transactions ranged from approximately \$4,000 to \$15,000 per property, depending on the complexity of the transaction.

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**QUESTION:**           **Supplementary Budget Estimates**

**Page number:**       **7, Supplementary Budget Estimates Transcript**

**Question:**

**CHAIR:** In getting ready to construct the CBD Metro, how many businesses were relocated?

**Mr STAPLES:** I cannot recall that number. I will have to take that on notice.

**Answer:**

I am advised that the number of businesses relocated was 37.

  
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**QUESTION:**           **Supplementary Budget Estimates**

**Page number:**       **13–14, Supplementary Budget Estimates Transcript**

**Question:**

**CHAIR:** Going back to the CBD Metro, Mr Staples, will you be able to provide the Committee on notice with the total amount of lost revenue from that project, including lost rental revenue?

**Mr STAPLES:** You have asked us for information in relation to that and I have indicated we will give you a summary of the vacancies around that, so we will provide the information we can.

**Answer:**

I am advised that the public purpose for acquiring the buildings was for the construction of the Metro stations. As such all building were acquired and managed to achieve vacant possession and no revenue was budgeted. I understand that as soon as was possible after the Metro was cancelled the properties were marketed for re-lease.

I am further advised that all properties acquired, except for 30 and 36 Clarence Street, are all currently being marketed or have been leased. It is anticipated that all properties will be leased over the next six months.

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**QUESTION:** Supplementary Budget Estimates

**Page number:** 5, Supplementary Budget Estimates Transcript

**Question:**

**SYDNEY METRO LINE ITEMS**

**CHAIR:** In terms of that overall figure, would you be able to provide us with more of a breakdown on line items as to how we get to the \$417 million? You have obviously given us some information but would you be able to provide it broken down into more detail? You can take the question on notice if necessary.

**Mr STAPLES:** I can certainly do that.

**Answer:**

I am advised that the overall figure to the end of October 2010 is approximately \$419 million, made up of \$323 million on delivery of Metros and demobilisation activities, and approximately \$96 million paid to claimants.

I am further advised that the \$323 million includes expenditure on all technical and related activities on metro projects plus other costs incurred by Sydney Metro as a result of the cancellation of the projects.

I understand that Metro project costs cover costs of design, technical and construction work for Metro Stage 1 between Central and Rozelle (approximately \$130 million) and Stage 2 works between Central and Westmead (approximately \$46 million).

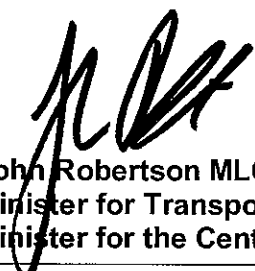
**Works included:**

- o Design, engineering and technical advice.
- o Detailed site investigations including drilling of more than 100 boreholes.
- o Costing and financial advice.
- o Tender and contract preparation and management.
- o Preparation of the two major tender packages for the works comprising PRI 1, the civil and tunnel package, and IMO, the Integrated Metro Operations package.
- o Detailed survey and site investigations.
- o Strategic studies and technical support.
- o Staffing, contractors, administration and office leasing.

Sydney Metro also acquired properties at a cost, including lease payout, disturbance and other expenses of approximately \$136 million.

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Further details are available in the Sydney Metro Annual Report 2010.

  
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**QUESTION:**            **Supplementary Budget Estimates**

**Page number:**        **4, Supplementary Budget Estimates Transcript**

**Question:**

**SYDNEY METRO FUNDS**

**The Hon. MATTHEW MASON-COX:** In relation to the disclosure of those sums in the budget estimates, do we have a full provision for the actual amounts that are expected to be paid by the Government in the budget estimates going forward?

**Mr STAPLES:** The funds provided to City Metro up until the end of June 2010 are sufficient to cover any forecast expenditure. So there is no additional provision required from the budget.

**The Hon. MATTHEW MASON-COX:** So you are confident that the existing estimates will cover the outstanding claims that you are not able to quantify for us?

**Mr STAPLES:** Well and truly sufficient, that is right. The funds available that have already been provided to City Metro are sufficient to deal with that.

**The Hon. MATTHEW MASON-COX:** And which has been fully provided in that regard?

**Mr STAPLES:** I cannot recall the exact number that has been provided now. I would have to take that on notice.

**Answer:**

I am advised that this information is available in the Sydney Metro Annual Report 2010.

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**QUESTION:**            **Supplementary Budget Estimates**

**Page number:**        **28, Supplementary Budget Estimates Transcript**

**Question:**

**SYDNEY FERRIES**

**The Hon. MATTHEW MASON-COX:** Can you not put out a summary or at least an assessment that was made by the Government in terms of comparisons made with the public sector?

**Mr WIELINGA:** That is certainly something I can have a look at. Now that you have mentioned it, I will go away and have a look at what can be done.

**CHAIR:** That would be useful.

**Answer:**

I am advised that the assessment of the private sector bids cannot be provided as the information is Cabinet-in-Confidence.

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**QUESTION:**                    **Supplementary Budget Estimates**

**Page number:**            **15-16, Supplementary Budget Estimates Transcript**

**Question:**

**The Hon. MATTHEW MASON-COX:** I will move on to integrated ticketing. In that regard I direct my questions to Ms Zealand. Can you confirm where the legal proceedings are up to with the previous Tcard contractors, ERG?

**Ms ZEALAND:** The previous contract obviously is the subject of litigation and it is ongoing.

**The Hon. MATTHEW MASON-COX:** When do you think that will be settled?

**Ms ZEALAND:** That is a matter for the court to determine.

**The Hon. MATTHEW MASON-COX:** That is true but when do you expect that to come to a resolution?

**Ms ZEALAND:** I am not going to comment on the legal proceedings.

**The Hon. MATTHEW MASON-COX:** The legal proceedings are on foot; when do you expect a judgement to be handed down in respect of those legal proceedings?

**Ms ZEALAND:** That is a matter for the court timetable.

**The Hon. MATTHEW MASON-COX:** It is a matter that most litigants would have an understanding of when these matters will be finalised. I am asking you for your judgement based on advice you have received of when you can expect that matter to be resolved?

**Ms ZEALAND:** The matter will not be before the courts before the end of next year.

**The Hon. MATTHEW MASON-COX:** How long do you expect the court case to be?

**Ms ZEALAND:** I cannot answer that.

**The Hon. MATTHEW MASON-COX:** Perhaps you could take that on notice?

**Ms ZEALAND:** Certainly.

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**The Hon. MATTHEW MASON-COX:** And give us your best estimate of when you expect that to be settled.

**CHAIR:** Sorry, you will take it on notice?

**Ms ZEALAND:** I will take it on notice but, as I say, it is a matter for the courts to decide.

**Answer:**

I am advised the commencement date for the Hearing is expected to be confirmed at the next Directions Hearing on 18 February 2011.

A handwritten signature in black ink, appearing to be 'JR' with a stylized flourish.

John Robertson MLC  
Minister for Transport  
Minister for the Central Coast

13/12/10





**The Hon John Robertson MLC**  
Minister for Transport  
Minister for the Central Coast

**QUESTION:**            **Supplementary Budget Estimates**

**Page number:**        **8–9, Supplementary Budget Estimates Transcript**

**Question:**

**SYDNEY METRO**

**The Hon. MATTHEW MASON-COX:** Can you provide the Committee, on notice, with a document in that regard explaining the commercial case for not re-leasing those buildings?

**Mr STAPLES:** I do not have that level of information available.

**The Hon. MATTHEW MASON-COX:** Perhaps you could have a look at it and provide what you can on that because it would be appreciated.

**Mr STAPLES:** I do not think we will be able to provide much additional information to what I have given here today.

**The Hon. MATTHEW MASON-COX:** Give it your best shot.

**Answer:**

I am advised that given the commitment to have the Barangaroo Pedestrian Link in place by 2014, and the need to use 30 and 36-38 Clarence Street for the construction of the Link, it was evident that re-leasing these buildings for a short term period was not commercially viable. Tenants already occupying those buildings sought to re-locate to a long term lease elsewhere.

I understand that these are commercial premises for which prospective tenants seek long term leases of at least three to five years.

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John Robertson MLC  
Minister for Transport  
Minister for the Central Coast 13/12/10



**The Hon John Robertson MLC**  
Minister for Transport  
Minister for the Central Coast

**QUESTION:**                **Supplementary Budget Estimates**

**Page number:**        **11, Supplementary Budget Estimates Transcript**

**Question:**

**Ms CATE FAEHRMANN:** Since the last meeting I have had a briefing from Transport NSW staff in relation to how projects are costed, for which I thank you. I see in the submission of Infrastructure Australia that the north-west rail link has now been costed at \$7.5 billion. Will you explain the increase of \$1 billion? It was almost \$1 billion more than was submitted by the former Minister for Transport in February.

**Mr WIELINGA:** I think most of the explanation is in the difference between a current day estimate and in out-turn dollars. I think as part of your briefing the standard guidelines that are used around Australia, now prepared by the Federal Transport agency, require estimates to be generated in out-turn dollars.

**Ms CATE FAEHRMANN:** In February the costing estimate was \$7.5 billion, which is almost \$2 billion more than the \$4.89 billion estimated if the project started straightaway.

**Mr WIELINGA:** I need to go and make sure. You could be including some rail line duplication near North Sydney that is part of the project package. If you look at the IA submission there is a summary of about three projects in that. I just cannot bring to mind the top of it but I am sure the \$7.5 billion includes that additional quadruplication of the line closer into Sydney, and it is more than just the original north-west rail project.

**Ms CATE FAEHRMANN:** Will you provide further details of that?

**Mr WIELINGA:** Yes, I am happy to provide that detail.

**Answer:**

The Infrastructure Australia submission includes the North West Rail Link project as well as additional complimentary projects.

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John Robertson MLC  
Minister for Transport  
Minister for the Central Coast

13/12/10



**The Hon John Robertson MLC**  
Minister for Transport  
Minister for the Central Coast

**QUESTION:** Supplementary Budget Estimates

**Page number:** 27, Supplementary Budget Estimates Transcript

**Question:**

**CHAIR:** Why was Sydney Ferries allowed to continue to operate services when its bid only scored 56 out of 100?

**Mr WIELINGA:** Again, the Government made a decision on this. It was a Government policy decision. They announced it, and Sydney Ferries are currently running ferries.

**CHAIR:** Is 56 out of 100 a good standard on that scale? How does 56 out of 100 rate in your estimation: satisfactory performance or—

**Mr WIELINGA:** I will take advice from the project team that did the assessment work and I will come back to you with a response.

**Answer:**

I am advised that the score is considered satisfactory.

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John Robertson MLC  
Minister for Transport  
Minister for the Central Coast

13/12/10



**The Hon John Robertson MLC**  
Minister for Transport  
Minister for the Central Coast

**QUESTION:** Supplementary Budget Estimates Transcript

**Page number:** 12, Supplementary Budget Estimates Transcript

**Question:**

**Ms CATE FAEHRMANN:** I just want to ask some questions about Newcastle rail services. Some of the questions are quite specific but I think they are important even if they are taken on notice. Specifically my question is about the Newcastle line truncation at Wickham station. I refer you to the preliminary assessment of the Newcastle truncation Wickham station study. Do you know how much that study cost?

**Ms QUILTY:** The study was undertaken by AECOM. I do not have the actual costs of the study. RailCorp commissioned AECOM to take that study, but we can come back to you with those numbers.

**Ms CATE FAEHRMANN:** If you can also come back to me with the costs of the Newcastle City Centre Renewal Transport Management and Accessibility Plan.


**Ms QUILTY:** Certainly. That was also undertaken by AECOM. We can provide those costs.

**Answer:**

I am advised that the Newcastle City Centre Transport Management and Accessibility Plan was undertaken for Transport NSW by AECOM at a total cost of \$198,900 (excluding GST).

I am further advised that the Preliminary Assessment of the Newcastle Line Truncation at Wickham Station was undertaken for RailCorp by AECOM at a total cost of \$889,193 (excluding GST).

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John Robertson MLC  
Minister for Transport  
Minister for the Central Coast

13/12/10



**The Hon John Robertson MLC**  
Minister for Transport  
Minister for the Central Coast

**QUESTION:** Supplementary Budget Estimates

**Page number:** 26, Supplementary Budget Estimates Transcript

**Question:**

**CHAIR:** Moving to the South West Rail Line. Can you advise whether there has been any track laid on that project?

**Mr WIELINGA:** I will ask Mr Lock to deal with that.

**Mr LOCK:** The South West Rail Line comprises the upgrading of the Glenfield Transport Interchange and a new line from Glenfield to Leppington. On the upgrade of the Glenfield Transport Interchange, there has been modification of the existing track. No track has been laid on the Glenfield to Leppington line.

**CHAIR:** How many properties have been acquired to date for that project, and what was the total cost?

**Mr LOCK:** The properties are actually being acquired by the City Regional Development Fund, not by Transport Corporation Authority or Transport NSW, but we can get back to you with numbers of dollars.

**CHAIR:** You can?

**Mr LOCK:** Yes.

**CHAIR:** The Committee would appreciate that. Do you know how many more properties, on top of those that have been acquired, will still need to be acquired?

**Mr LOCK:** The vast majority have been acquired. There are a few more to come.

**CHAIR:** Can you give the Committee those numbers on notice?

**Mr LOCK:** Certainly.

**CHAIR:** And the estimated total cost of those properties?


**Mr LOCK:** Certainly.

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**Answer:**

I am advised that the properties for the South West Rail Link are being acquired under the Sydney Regional Development Fund, which is administered by the Office of Strategic Lands, within the Land and Property Management Authority.

I am further advised that 73 properties, at a total cost of \$103 million have been acquired for the construction of the South West Rail Link. I understand that four properties remain to be acquired. It would be inappropriate to comment on the acquisition costs of those properties at this stage as negotiations are not finalised.



John Robertson MLC  
Minister for Transport  
Minister for the Central Coast 13/12/10

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**The Hon John Robertson MLC**  
Minister for Transport  
Minister for the Central Coast

**QUESTION:** Supplementary Budget Estimates

**Page number:** 8, Supplementary Budget Estimates Transcript

**Question:**

**METRO RELOCATION COSTS**

**CHAIR:** Would you be able to provide us with a breakdown of those relocation costs for each of the buildings?

**Mr STAPLES:** We could to the extent, as I said previously, around individual properties. If it has any issue with privacy we would not be able to provide that, but to the extent that information can be provided that does not prejudice that then I can provide the information

**Answer:**

I am advised that costs relating to property acquisition – including relocation costs – were approximately \$34 million. I understand that this amount includes costs that Sydney Metro incurred of approximately \$3 million for a number of leases on properties the acquisition of which did not proceed.

Disturbance costs as defined by the *Land Acquisition (Just Terms Compensation) Act* include relocation costs and associated legal fees, valuers' fees, and reimbursement of financial impacts on business as a consequence of relocation.

I am further advised that the costs relating to property acquisition – including relocation costs – are as follows for each building:

<b>37 leasehold interests in 7 properties acquired</b>	<b>Acquisition cost (i.e. excluding capital cost) \$million</b>
30 Clarence Street	4.7
36-38 Clarence Street	4.4
131-135 Bathurst Street	1.3
8-12 Castlereagh Street	12.0
679 Darling Street Rozelle	.5
170 Victoria Road Rozelle	.3
108 Miller Street Pyrmont	8.0

  
John Robertson MLC  
Minister for Transport  
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13/12/10



**The Hon John Robertson MLC**  
Minister for Transport  
Minister for the Central Coast

**QUESTION:**                    **Supplementary Budget Estimates**

**Page number:**            **8, Supplementary Budget Estimates Transcript**

**Question:**

**The Hon. MATTHEW MASON-COX:** Would it be possible to get a schedule from you in respect of each of the buildings showing the time that they were acquired and the costs of acquisition, the costs of paying down or surrendering of leases, the time each of the parts of the building or the full building has been without tenants, a sort of breaking down, if you like, over this period of time, which in some of these buildings is quite a significant period of time where the State has effectively forgone significant revenue which is not currently being recognised in any way, shape or form? I would just like to understand a little bit more of the detail, particularly in relation to mitigating the cost of having acquired these buildings through re-leasing.

**Mr STAPLES:** I think we can provide you with a general summary on our strategy around that. I do not think we can provide you with the breakdown of the property on a tenant-by-tenant basis but we can provide you with a general summary of that.

**The Hon. MATTHEW MASON-COX:** As much detail as you can.

**Answer:**

I am advised:

<b>Property</b>	<b>Acquired</b>	<b>Ongoing Management strategy</b>
30 Clarence Street	20 Jan 2010	Vacated for possible imminent transport projects
36-38 Clarence Street	29 Dec 09	Vacated for possible imminent transport projects
131-135 Bathurst Street	7 Dec 09	Partly leased
8 – 12 Castlereagh Street	5 Feb 10	Being leased
679 Darling Street	8 Oct 09	Being leased
108 Miller Street	18 Feb 2010	Partly leased
170 Victoria Road	15 Dec 09	Being leased



Total Freehold Capital Costs for the 7 Properties	Total Freehold and Leasehold Acquisition Costs and Compensation / Claims for the 7 Properties
\$102 million	\$31.15 million

  
 John Robertson MLC  
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13/12/10